

JPRS 80678

27 April 1982

South and East Asia Report

No. 1131



FOREIGN BROADCAST INFORMATION SERVICE

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27 April 1982

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INDIA

BRIEFS

ENVOY TO ARGENTINA--Lakhan Lal Mehrotra, India's new ambassador to Argentina, presented a letter of credence to Lt Gen Leopoldo Fortunato Galtieri, the president of the Republic of Argentina, at the Presidential Palace at a very colorful ceremony on 22 March 1982 at Buenos Aires. [Excerpt] [SK281015 Delhi ISI Diplomatic Information Service in English 1433 GMT 25 Mar 82]

GROUNDNUT TO SOVIET UNION--About 32,000 tons of high breed groundnut have been exported to the Soviet Union during the current year. Deputy Minister for Commerce Sangma told the Lower House of Parliament that the next year's over-all target for exports is 100,000 tons. [Text] [BK281015 Delhi General Overseas Service in English 1330 GMT 26 Mar 82]

CSO: 4220/7082

'LE MONDE' VIEWS SITUATION UNDER VIETNAMESE 'UMBRELLA'

[Editorial Report] PM251015--Paris LE MONDE in French 19 March 1982 carries on pages 1 and 6 the 2,000-word first part of a Patrice De Beer dispatch from Kampuchea entitled "Kampuchea Under the Vietnamese Umbrella.I--There Are Still Khmer Rouge." De Beer starts by describing a visit to Kompong Cham, where he saw some of the mass graves of Khmer Rouge victims; he was accompanied on his visit by local Red Cross director Sam Sarith, who is one of the many former Khmer Rouge to have rallied to the pro-Vietnamese regime. De Beer goes on to describe a visit to the "Borei of 100 houses"--a district between Phnom Penh and Pochentong airport--and he describes the system of local administration. He comments that "the security services are omnipresent" and that "according to witnesses there have been ill treatment and arbitrary arrests, and people have been detained without trial." De Beer goes on to say that Khmer Rouge supporters still exist among "poor peasants favored by the previous regime" and that Prince Sihanouk and Son Sann and their supporters still enjoy popularity. De Beer comments on the visible presence of the Vietnamese troops, adding that "some well-informed people also told us that the country's four northeastern provinces had come under Vietnamese administration and that Vietnamese settlers had been installed in several regions of the country." De Beer concludes that this and the ousting of Pen Sovan demonstrate "the fragility of the system."

CSO: 4200/32

CORRESPONDENT DESCRIBES DEVELOPMENTS, WEAKNESSES IN PRK

Paris LE MONDE in French 20 Mar 82 p 7

[Article by special correspondent Patrice de Beer: "Kampuchea Under the Vietnamese Umbrella"]

[Text] II. Collectivizing Without Creating Fear

Forced to allow a wild capitalism, connected with smuggling, to prosper, the leaders in Phnom-Penh are nevertheless preparing the progressive collectivization of their economy (LE MONDE, 19 March).

Kompong-Cham. A bumpy trail leads into the ricefields opposite the Mountain of the Man and the Mountain of the Woman. Some children keep watch on the buffalo, while priests shield themselves against the sun with an umbrella. Spread out along the road, we come to Koh-Khream, a model village. Here the people have grown 425 hectares of rice (69 percent of the planned estimates) with which to feed the population for 7 or 8 months. An old peasant, Mr Chea Ao, hopes that the dry season rice will make it possible to fill the gap. The 98 families in the village are organized in seven "samaki" solidarity groups of 14 families, each, and they work together. The village chief distributes the rice among the inhabitants on the basis of age and work done. Some pigs, a few chickens and ducks, fruit trees and fish, always abundant, complete their diet. The village has received seeds and food through international aid. Mr Chea Ao and the community chief say that they live much better than under the Khmer Rouge. Three persons noted down our questions and their answers.

Phnom-Penh expected much from 1981. The natural disasters (floods, drought) since July had reversed a situation which was considerably improved over 1979; 196,000 hectares were destroyed; many others were too heavily dried out to be worked by hand and could not be cultivated. According to the FAO and the WFP, the food shortage should come to be around 278,000 tons for 1981-1982, as against 160,000 tons the year before, with a total output of 730,000 tons. Mr Chea Kong, head of the planning department in the Ministry of Agriculture, estimates that the flooded rice harvest will make it possible to feed the population for 8 months while secondary crops will provide food for 2 months. For the rest, the country will have to count on international aid. Mr Chea thinks that, if all goes well, Cambodia will become self-sufficient in food in 1985.

On top of these cataclysms, there are the mistakes in the irrigation system established by the Khmer Rouge; according to a foreign expert, they wanted to channel water from the Mekong to some humid basins, flooded only during the rainy season, at Kompong-Cham and at Prey-Veng. Here is the result: the flood waters rushed in too fast and widened the passageway; the rice is not strong enough to survive the rise in the water level which drops much later than in the past. At Kompong-Speu, the Khmer had raised the watergate on a dam; the water swept the structure away and it is now being rebuilt by the Church World Service. At Battambang, on the other hand, the CIDSE [expansion unknown] wants to do topographic work to improve a Khmer Rouge irrigation network.

The tenaciousness with which the peasants do their work and their sense of initiative are largely responsible for the results that have been recorded so far. The same is true of the rare agricultural experts. But, as in all other areas, the shortage of equipment and technicians is dramatic.

The samaki groups, which are made up of the entire rural population (about 85 percent of the total), consist of three types, ranging from simple mutual assistance to work in a collective setup with distribution of the product.

According to Mr Chea Kong, it is necessary to increase the number of samaki groups on the highest level "gradually, in keeping with possibilities, so as to provide the collective group with the means of production"; plans call for the establishment of cooperatives, state farms, and mechanized farms. "We will move toward collectivization but not in as limited a fashion as under Pol Pot," we were told by Mr Hun Sen. Taxes are going to be levied upon the peasants who must sell a portion of their surplus to the state and feed mid-tiamen, teachers, and village officials.

How to Keep Tabs on Trafficking?

Weaving Plant No 3, the former Chip Tong, is located at Tuol-Kauk in the suburbs of Phonm Penh. It operated without interrupting its production for more than a few weeks since the time of Prince Sihanouk; the labor union head, Mrs Chhom Duleng, and the vice president, Mr Lim Bon Nam, produced black fabrics and rubber sandals for the Khmer Rouge. The equipment is Chinese, Japanese, or Czechoslovak; but the brother country has not supplied a single bolt since 1979. The raw materials come from old stockpiles. The workers work when the machines run and the management hopes to achieve the annual plan to the extent of 70 percent.

The thing that strikes the visitor most is the open market which flourishes everywhere, this smuggling which takes place in broad daylight, encouraged and even organized by the government. It is said that the party's number two man, Mr Say Phouthang, who himself is of Thai origin, is coordinating a part of the traffic with Thailand. In return for gold and local products, the latter supplies all necessary or superfluous commodities, such as cigarettes and medications, motorcycles and fabrics, as well as canned products. From Vietnam, private merchants bring consumer goods which they exchange against rice. Since necessity is the mother of invention, the thing to do is to allow this kind of commerce to prosper.

But after 3 years, the government still has not managed to control trade: corruption, embezzlement, fortunes quickly made, runaway inflation (more than 300 percent in 2 years), absence of control over trade transactions which, while enriching the country on one hand, strip them of its wealth on the other hand. This is a rather odd socialist system in which a parallel, pirate economy prevails--an economy which devours the official sector and its few empty shops.

Government salaries are too low and lead to corruption. A rickshaw-man can make seven times as much as an official in the Foreign Ministry.

Salaries were increased to remedy the situation; the SMIC [Interoccupational Minimum Growth Wage] is about 100 riels, plus allowances for each family member and rice at reduced prices. The families of civil servants are authorized to deal with private commerce. In that squatterized Phnom-Penh, where half a million people live or camp in apartments vandalized and pillaged by all camps, a multitude of small commercial establishments sprang up again, including shops, photo studios, dentist's offices, and restaurants.

How to rebuild an economy which moreover is socialist, on the basis of this wild and uncontrolled capitalism? How to regulate it, to make sure that taxes and fees are paid as planned this year, without arousing a feeling of hostility or revolt on the part of people who might well receive any authoritarian measure as a return to "Polpotism?" This "complete circus," in the words of a foreign expert, is undoubtedly--a Soviet diplomat admitted--at least as dangerous to the regime as the military threat. Especially since Phnom Penh has practically no resources of its own.

Progress is also noteworthy in the fields of education and health; more than 1.5 million children are attending school and schools are open everywhere. Orphanages have been established and they are responsible for recruiting the elite of tomorrow among the victims of yesterday. Programs have been modified. The 4th-year reader, printed in Ho Chi-minh City, is entitled "La Victoire du Front" where one can read that "the new sun shines on the land thanks to the creation of the Front" and that "the enemies of Cambodia are the Thais, the Americans, and Pol Pot who operate under the direction of Peking."

Work has also been resumed in the cultural area, in the dance and in the crafts; tradition is being combined with current vogue; copies of antiques are being made, along with busts of Lenin. At the National Ballet, the teachers who survived are now again teaching classical dance; the choreography is the same, only the words have changed. The "Dance of the Pigeons" now celebrates "peace and the country's liberty."

There is still a doctor shortage in the hospitals; there are none in the province of Kompong-Chhnang which has a population of 220,000. Out of the two male nurses, who even perform operations, one is taking courses at Phnom-Penh. The third class of medical students was graduated in November; half of the first class had left for Thailand, along with one quarter of the second class. Despite all efforts, much remains to be done. But "progress is enormous," according to a French doctor. During our stay there, nobody talked to us about undernourishment--with the exception of areas hard hit by bad weather--but only of avitaminosis.

"There Are No More Bourgeois"

Social differences, leveled by the Khmer Rouge, have reappeared especially since the "proletarian" regime relies more on educated citizens than on the peasantry; during the elections, the three heads of samaki groups who were candidates were defeated. International food aid above all benefited civil servants and the city of Phnom-Penh. This caused a foreign expert to fear that the gap between the cities and the rural areas would arise again; this gap kept growing under Norodom Sihanouk and engendered the Khmer Rouge phenomenon.

Parallel to that, there is a growing gap between those who have access to the privileges of the regime's servants as well as to commerce springing from smuggling, and the others who live on their salaries. Is this the rebirth of social classes in a socialist system? "There are no more bourgeois," a supervisor told us. "There are no more social classes--only social strata."

How long will this Cambodian-style NEP last after it has now gone on for 3 years? According to Mr Hun Sen, "the state controls only major commercial activities; small merchants have the right to pursue their occupations; our advance toward socialism does not mean the suppression of the private sector." Mr Khieu Kanharith, assistant secretary general of the Front and editor-in-chief of the weekly magazine KAMPUCHEA, talked of mixed enterprises and gave the example of movie theaters managed by businessmen which then revert to the state at the end of 6 months. The reason for this policy is to be found in the need to meet the population's minimum needs in the absence of a public sector. But in the schools for management and supervisory personnel, the students learn that the private sector will die by itself in the face of the state sector. Our interpreter explained to us that Poland was in a desperate economic situation because, after 35 years of socialism, it still had not collectivized its agriculture.

This picture would not be complete if we were not to mention the contribution from international aid coordinated by the International Committee of the Red Cross and UNICEF up to 31 December of last year, as well as aid from Vietnam and from the socialist countries. Excluding assistance from private charitable associations, this aid at the end of 1981 came to \$343.2 million in Cambodia and \$133.6 million at the border with Thailand. Its effects were remarkable and everybody admits that the period of emergency is over and that the period of development or reconstruction is now beginning. While they feel compassion for the trials of the Cambodians and great sympathy for their efforts, most Western experts have a more critical attitude toward the regime; they entertain hardly any illusions as to the effectiveness of their control over aid and they know that they are referred to as "spies" in political seminars.

International Aid

What will happen this year, now that international aid has been reduced since the CICR [International Committee of the Red Cross] wants to resume its traditional functions, such as visiting political prisoners, something which is

still impossible? Will the experts always be welcomed? From here on in-- apart from natural calamities for which humanitarian aid will always be available--the donor countries are facing a political problem; would they, during this period of East-West tension, want to continue to provide development aid to a socialist regime of the classical type in the Vietnamese orbit and allied with the USSR?

5058

CSO: 4200/33

'LE MONDE' VIEWS HANOI'S ROLE IN KAMPUCHEA

PM251101 Paris LE MONDE in French 21-22 Mar 82 p 3

[Part III of Patrice De Beer report: "Kampuchea Under the Vietnamese Umbrella. III--Struggle for Influence Between Moscow and Hanoi"]

[Text] Phnom Penh--Some 200,000 Vietnamese soldiers, thousands of advisers, the "twinning" of Khmer and Vietnamese provinces, the war which is continuing along the border with Thailand and in the mountain and forest regions all mean that foreign policy overlaps considerably with the domestic policy sphere in Kampuchea.

The "fraternal" expeditionary corps has an iron grip on the situation, both to protect its supporters from the Khmer Rouge and nationalist threat and to forestall any temptation to show independence. The People's Republic of Kampuchea [PRK] remains under Vietnamese influence, and Hanoi has clearly shown that it intends to defend that acquisition against anybody, including the Soviets. It is part of a reunified Indochina and is also a buffer state against Thailand and a source of food supplies. The standard of living is much higher in Phnom Penh than in Ho Chi Minh City.* Kampuchean rice is feeding many Vietnamese.

Mr Hun Sen, foreign minister at the age of 28, a senior Khmer Rouge officer until July 1977, used images to explain the regime's ties with Hanoi: "Under the Pol Pot regime we lived like shipwrecked people. It is natural for a shipwrecked person to call for help on all sides and to cling to any debris. It is true that at the time there was a very active people's movement, but ought we to have waited until 1985 to liberate ourselves from Pol Pot? We might have been able to liberate the country but not the people!" The Vietnamese intervention was "like that of a fireman who pours water on a burning house. It is true that the firemen have to return to their barracks but it is also true that it is important not to run the risk of another fire.

*In Saigon the minimum monthly wage is equivalent to between 1 and 1.5 packets of American cigarettes on the free market; in Phnom Penh it is equivalent to between 8 and 10.

"No country in the world understands us better than Vietnam. Was the United States the only country entitled to station troops in Kampuchea?" he said angrily. "There are also American troops in the Philippines, in Thailand, in Japan, in the FRG and in other countries. What do people say about that? Some people say that our elections were not legal owing to the presence of Vietnamese troops. What about the elections which have taken place in the FRG in the presence of the GI's...? We too have the right to appeal to foreign troops."

Mr Hun Sen did not seem any more prepared to give way on that point than his Vietnamese comrades. "We have already made many concessions; it is up to ASEAN to make some in turn," we were told by Mr Mai Chi Tho, Vietnam Communist Party [VCP] chief for Ho Chi Minh City. The awaited concessions remains that of ASEAN's recognition of the pro-Vietnamese regime.

Hun Sen was very harsh toward ASEAN, which he accused of "interference in the internal affairs" of his country. He used another image: "We are like two soccer teams. The ASEAN team has the ball. They do not kick off, asking the United Nations or China to kick the ball for them. It is impossible to play properly like that."

For the time being those arguments have convinced less than 30 countries, and on 21 October last the United Nations--where the Khmer Rouge have a seat--again called for the Vietnamese to withdraw from Kampuchea and for the implementation of the proposals of the July New York conference on a negotiated solution. It is a "ridiculous demand" to try to solve a so-called Khmer problem which "does not exist" for Phnom Penh and Hanoi.

Brezhnev Preaches "Patience and Realism"

France, which does not recognize either of the two Khmer regimes, has reiterated its criticism of the Vietnamese intervention in Kampuchea several times since May 1981: [External Relations Minister] Cheysson had even drawn a parallel between Afghanistan and Kampuchea. "Our relations depend on France," Hun Sen replied. "We are prepared to have relations with all countries. For the time being there has been some progress in our relations. But I do not think that the French leaders' action (toward us) is valid because it in fact condemns the country which poured water on the fire," namely Vietnam.

At the United Nations in October, Vietnam, using its Lao ally as intermediary, presented a proposal for settling the crisis which, although it was still just as firm as regards content, was presented in a more diplomatic form. [Lao Foreign Minister] Phoun Sipaseut had proposed the opening of dialogue between the two groups--ASEAN and Indochina--"to promote mutual understanding and to eliminate the differences." The three countries went further and on 17 February offered Thailand "direct or indirect" contacts in "bilateral" form or with the three Indochinese regimes on "all questions of common interest," which, if they succeeded, might be followed by a "partial withdrawal of Vietnamese troops." But Hanoi's fundamental desire is still to have the new status quo recognized.

The first flexibility in form had been shown shortly after the meeting of the leaders of the three Indochinese communist parties--Mr Le Duan for Vietnam, Mr Kayson Phomvihane for Laos and Mr Pen Sovan for Phnom Penh--with Mr Brezhnev in Moscow. The latter had preached moderation to them and had given special treatment to Pen Sovan. "It is particularly important not to break the dialogue and to show patience and realism, a sense of responsibility and to refrain from actions which might aggravate the situation. It would be rational...to seek a point of contact, a mutually acceptable basis for cooperation," he had said. That warning could not mean that the USSR intends to slacken its relations with Hanoi. Mutual interests are still too powerful and the attraction of bases in Southeast Asia is crucial. But the Kremlin finds it difficult to accept Vietnam's obstinacy in rejecting any solution and playing its own game in Kampuchea, trying to turn the Soviets into financial backers without influence.

The Soviet attempts to assure themselves of Pen Sovan's support suffered a harsh blow with the latter's ouster. The Soviets "were too heavy-handed" in face of the subtle Vietnamese, East European diplomats admit. The distribution of Lenin badges cannot replace the detailed work done by the Vietnamese. "The Russians do not understand the Kampuchean problem as well as we do," a Vietnamese diplomat said. It is true that it is difficult for them to find out about the situation since they are not actually authorized to travel around. But they are obviously much less unpopular in Kampuchea than in Vietnam.

One Soviet diplomat, questioned on Phnom Penh's intentions, remained vague: "Long-term programs have been concluded in principle, but we still do not have any very specific idea about the direction which their economic development will take." For the time being the USSR is giving 600 grants, training soldiers, pilots and security officials and restoring the Khmer-Soviet Technological Institute.*

But that diplomat was even more cautious on Vietnam: "It is in a difficult economic situation. The three Indochinese countries will cooperate, that is inevitable; but Vietnam may not be the economic leader. Who knows what turn events will take in Vietnam in 5 or 10 years' time!" And with regard to the Indochinese bloc advocated by Hanoi he added: "There are exaggerated rumors about that bloc; it is not very easy to form such blocs or federations, it is all theory. The initiative has not been fully developed and Vietnam is realistic. A compromise is necessary; the Vietnamese army is not in Kampuchea for centuries. I think the Vietnamese believe that isolation and blockade are not a good thing for them."

*Soviet aid amounted to \$85 million in 1979, \$134 million in 1980 and \$100 million in 1981; it will be lower this year. Of the 85,000 tons of food aid promised in 1980, only 45,000 were supplied. That aid is partly in loans which are beginning to be repaid in rubber supplies. The corn, however, goes to Vietnam.

ASEAN's "Acceptable Solution"

The Soviets want to maintain good relations with the ASEAN countries which, despite differences of opinion, are worried by Hanoi's Indochinese expansionism and advocate a policy of isolating Vietnam. Moreover ASEAN is supporting the Khmer resistance and would like to unite the three components--Khmer Rouge, Son Sann's Khmer People's National Liberation Front and Sihanouk's supporters--in a "flexible coalition government." That is the aim of the proposal made by Singapore in November and rejected by the Khmer Rouge, who were afraid of seeing their influence disappear when they are virtually the only ones fighting.

Their Chinese allies are not prepared to exert pressure. They are worried by the possibility of ASEAN sliding toward a compromise with Hanoi. Their strategy is a long-term one: They believe it will take years for the situation to be reversed in Kampuchea and that the resistance may suffer more serious setbacks in that time.

The countries taking the firmest line are Thailand and Singapore. The former, a frontline country and a traditional rival of Vietnam, fears that the war might spread to its territory since Kampuchea is no longer a buffer state: it is trying to replace the latter by "minibuffers" formed by the Khmer Rouge and nationalist zones.

A high-ranking diplomat told us in Bangkok: "We are not a party to the Sino-Vietnamese conflict; we are proposing a solution which is acceptable to both. But we are not in a position to make concessions which would only create problems for us with China. Moreover, what guarantees do we have that Vietnam will leave us alone afterward...? Our support for the Khmer Rouge does not mean that we would like them to return to power. We are doing Vietnam a favor: it cannot accept Pol Pot and we cannot accept Heng Samrin; that is why we are proposing a transition toward free elections." However, some people in Bangkok are worried by excessive dependence on Beijing.

Malaysian Foreign Minister Bin Shafie Ghazali told us in Kuala Lumpur: "We must arm the third force and make it a viable group, but not to wage war on Vietnam. It is impossible to reach a political solution if one side does not have enough credibility to have discussions with the other. We know that Hanoi will never talk with the Khmer Rouge. If the Vietnamese refuse to negotiate, the third force will have the means to fight. Finally, we want to prevent the return of the Khmer Rouge."

Thus the latter are in the uncomfortable position of being indispensable--because they are fighting--but of running the risk of being excluded from a possible solution even if that still seems as remote as ever. Their attitude could change according to the results of the present dry season campaign. For the time being it is the Vietnamese army which is scoring points again.

How will the situation develop? Will the Khmer Rouge efforts to create a more "presentable" image, Son Sann's effort to obtain massive diplomatic

support and the efforts being made by Prince Sihanouk--who, despite his about-faces, is still the only really popular figure--to impose himself, bear fruit? Will the Phnom Penh regime prove that it can have an independent existence outside the Vietnamese military presence? How long will the "state of grace," which has lasted since the Khmer Rouge fell, go on? They cannot continue forever to be blamed for everything which is going badly and used as a justification for the constant presence of the "Bodois" [Vietnamese soldiers]. That was the line taken by the top foreign affairs official who told us that the Khmer Rouge had done nothing except destroy and kill. And he added: "There never used to be any flies in Kampuchea. It is only since the Khmer Rouge appeared that there have been flies here!"

Such propaganda will not be enough to persuade the population, traumatized by wars, to accept the new match toward socialism--the third type after Prince Sihanouk's Buddhist socialism and the Khmer Rouges' savage socialism--collectivism and the foreign presence. If those people, who still dream of the golden age--which is largely mythical--before 1970, are to accept all that, the results will have to live up to their hopes.

CSO: 4200/32

TAX PAYMENTS, RICE SALES TO STATE REPORTED

[The following information is extracted from the Vientiane press as indicated on the dates listed within the parentheses. AP=SIANG PASASON; VM=VIENTIANE MAI; KPL=KHAOSAN PATHET LAO; BQ=BULLETIN QUOTIDIEN]

LOCATION	REMARKS
Sisattanak, Vientiane Capital	From 11 Nov 82 to 23 Feb 82, farmers have paid 58.4 tons in taxes (VM 17 Mar 82 p 1)
Khong Sedone, Saravan	Farmers have paid 600 tons of rice in taxes. As of mid-February, have sold 1,195 tons of rice to state (SP 16 Mar 82)
Sisattanak, Vientiane Capital	Farmers have sold more than 50 tons of paddy to state in only 4 days. The campaign to sell rice is still continuing (VM 16 Mar 82 p 1)
Houa Phan Province	1981 harvest was 18,515 tons with average per hectare yield of 2.5 tons. Paddy hectareage is now 7,405 hectares. (SP 16 Mar 82 p 1)
Vang Vieng, Vientiane	Farmers exchanged 1,500 tons of rice to state for consumer goods from October to December 1981 (VM 15 Mar 82 p 1)
Attapeu Province	More than 600 tons of rice taxes stored in provincial granary as of February. Tax collections and rice sales called (SP 12 Mar 82 p 1)

Sayaboury, Louang Namtha, Oudomsai, Phong
Saly, Luang Prabang Provinces

From beginning of December 1981 to 28 Feb 82 initial figures show that 14,513 tons of rice have been paid as tax or sold to state. 11,393 tons of this amount were rice sales. The campaign continues. (SP 11 Mar 82 p 1)

Saithani, Vientiane Capital

Has sold or exchanged for goods 210 tons of rice to state (VM 11 Mar 82 p 4)

Outhoumphon, Savannakhet

As of 20 Mar 82, farmers have sold more than 1,080 tons of rice to state. This district is ahead of all others in province in paying taxes and selling rice to state, exceeding quotas. (SP 25 Mar 82 pp 1, 4)

Houa Phan Province

Various localities have paid more than 415 tons of rice in taxes. (SP 25 Mar 82 p 4)

Xieng Ngeun, Luang Prabang

As of beginning of March, farmers have paid more than 158 tons of rice in taxes, and have sold or exchanged more than 20 tons to state. (SP 24 Mar 82 p 1)

Hatsaifong District, Vientiane

Paid 110 tons of rice to state, as taxes, exceeding plan by 5 tons. (VM 20 Mar 82 p 1)

Vientiane Province

As of 13 March, tax payments and rice sales to state came to 4,320 tons. Of that amount, more than 3,120 tons were sales to state. Tax payments and sales to state are continuing. The districts of Phon Hong, Sanakham, Nasaithong, and Paksan exceeded the plan. (VM 19 Mar 82 p 1)

CSO: 4206/44

INDIA'S STAND ON NO-WAR PACT CRITICIZED

Karachi JASARAT in Urdu 1 Mar 82 p 3

[Editorial: "Triple Face"]

[Text] While giving an interview to AL-IRAQ, an Iraqi newspaper, Mrs Gandhi, the Prime Minister of India, said that the most important thing for India and Pakistan is to enter into a peace pact which will create a climate of peace and lay a firm foundation of mutual cooperation.

This statement by Mrs Gandhi is an example of regarding and making the world a dupe by Indian diplomacy. India is giving the world an impression that it is willing to have friendship with Pakistan and is insistent on it, while, in reality, it has unilaterally suspended the talks on the offer of nonaggression initiated by Pakistan. In the meantime, Mrs Gandhi's government has submitted a budget with a total deficit of 20 billion, 850 million rupees in which, for the fiscal year 1982-83, an estimate of 51 billion rupees has been presented for defense.

These are three faces of Mrs Gandhi's government. One face is towards the world which is saying that the most important thing for India and Pakistan is to enter into a friendship treaty. The second face is towards Pakistan from which the announcement is being made for the suspension of preliminary talks for a non-aggression treaty between the two countries. The third face is towards her own country announcing an increase of 5 billion in the defense budget over last year in spite of a deficit of 20 billion. When Pakistanis say that Indian leadership is not honest and well-meaning, they mean that no harmony is possible in the statements and policies of this leadership and when there is no harmony in words and actions, then spotting the truth is well nigh impossible.

To say that the most important thing between India and Pakistan is to enter a friendship agreement after actually suspending the talks on the nonaggression treaty is like putting the cart before the horse. How can the circumstances of friendship be possible between two countries which have gone to war three times in the last 35 years and the issue of the prisoners of these wars is still unresolved? In our view, first, the two countries should agree not to fight, and, second, they should resolve the disputed matters through talks. In the third stage, when no obstacle is left, then only there can be any hope of an agreement between the two countries. If Mrs Gandhi will try to solve the third

problem without trying to solve the first two, it will be like putting the cart before the horse. This experience will be of no use and the next two or three generations will live under the shadow of the fear of war and their backs will be broken due to the heavy burden.

The life of a common man is miserable in India. Millions of people sleep on sidewalks in big cities. They do not have adequate clothing. Millions of starving faces can be seen in India. In this starving India, where there is a deficit of 20 billion, an increase of 5 billion is being made over last year in defense spending alone. What else can be construed from this except that Mrs Gandhi's government is trying to arrange for the security of her people by snatching away bread from them? Can it not be accomplished by simply having an understanding of nonaggression with their neighbors?

9859

CSO: 4203/85

BUREAUCRACY VERSUS ELECTED REPRESENTATIVES

Karachi JASARAT in Urdu 25 Feb 82 p 3

[Editorial: "Mr Nadvi, Please Resign"]

[Text] By taking advantage of the rift between the members of the local bodies of Sind and through the acquisition of support of one of the contending factions, the bureaucracy is engaged in a policy of bringing local institutions under its firm control. In Punjab, the bureaucracy took aggressive steps and changed the laws so that any motion against or condemning federal or state employees or even employees of local bodies or even verbal denouncement of them is forbidden in the local body chambers. The order is being protested in Punjab and many city councilmen are gradually turning in their resignations. The stalwarts of the bureaucracy are trying to make the president believe that it is sheer politics.

Therefore, on his arrival in Lahore from Rawalpindi, while talking to newsmen, the president said that the government wants to make the local bodies nonpolitical, free and autonomous and that the restriction in Punjab on the council members have already been explained and, if someone wishes to resign, he is free to do so. The president's view, in our opinion, is deplorable and betrays ignorance of the gravity of the matter. We want to raise the issue of the Bureaucracy trying to use the people, who are weak and are deprived of the confidence of the majority, as their tools for the domination of these institutions. Is it not politics? Does bureaucracy have the freedom to play politics with these institutions? Can these institutions remain nonpolitical with such political interference? In fact, anybody can play such politics. The politics is not limited to the members of the municipalities. It extends to the department and the ministry. Why does the honorable president overlook it? Our second question for you, Mr President, is: How can the local bodies remain free and autonomous when the council members do not have the freedom to protest against the interference and the right to comment on the incompetence and irregularities of the local city and county officials like the revenue inspector, police station officer and the district officers? Mr President, in this country it seems that the government bureaucracy is assuming the monopoly on freedom and self-determination. For God's sake, try to understand the political character and actions of the bureaucracy and control it. The president's statement that, if anybody wants to resign, he can go ahead with it is not a just thing to say. The resignation of a public representative is a totally different matter, and a

distinction needs to be made between the two. The latter is a form of public protest.

Mr President, it is our request that you stick with the people. Don't become an advocate of bureaucracy. Please don't be indifferent to damage which is being caused by the interference of the bureaucracy in the local institutions, otherwise these institutions will be destroyed and this will result in too large a blow to the credibility of the government.

9859

CSO: 4203/85

AMERICAN PROFESSOR; ENGAGEMENTS IN PAKISTAN QUESTIONED

Rawalpindi HURMAT in Urdu 11-17 Feb 82 p 23

[Article: "Secret Engagements of an American Professor"]

[Text] Karachi Bureau--Not long ago, an American professor came incognito on a tour of Pakistan and returned to the States after approximately a week's stay. According to certain sources, his name is Phillips Talbot and he had come to Pakistan on a very important mission. During his stay in various cities, he met political leaders of defunct Parkes, labor leaders, intellectuals and political workers. He asked their opinions about American policies toward Pakistan under the present circumstances. It has been learned that Phillips Talbot also addressed certain special gatherings. The secret trip of Prof Talbot is regarded as extremely important in certain circles. They say that this trip can prove very meaningful in the present situation of Pakistan.

However, it is noteworthy that the American embassy and the media did its best to keep his trip a secret. Neither was a press release issued about his arrival and departure nor was any information provided. The government of Pakistan also did not overtly attach any importance to his trip but, it is believed, he met government officials soon after his arrival in Pakistan on 20 January.

It has been learned about Prof Talbot that he has been a keen observer of South Asian affairs for quite some time and is regarded as an expert. Prior to this, he spent considerable time in India and was even enrolled at the Aligarh Moslem University. During the Kennedy Administration, he was Assistant Secretary of State for South Asian Affairs. He was also president of the Asiatic Society in Europe and an Ambassador to Greece. Certain circles have indicated that he was a journalist once and worked for quite some time as a correspondent for a Chicago paper.

However, certain circles are giving different meanings to the mysterious visit of Prof Talbot.

9859

CSO: 4203/85

ADMINISTRATION CRITICIZED ON SUBVERSION

Karachi JASARAT in Urdu 24 Feb 82 p 6

[Editorial: "To End Subversive Activities, Purge the Administration"]

[Text] As a result of the raids on the residential areas of the students of Sind University, Agricultural University, Tando Jam, Mehran Engineering University, Liaquat Medical College of Jam Shoro, Chandka Medical College and Sheikh Zaid Colony of Larkana, some 303 rifles, 2 Sten guns, 3 shotguns, 8 pistols, 80 lead shots, 1 sword, 12 cartridges, 4 daggers, 5 empty 32-caliber shells, an assortment of 30 shots, 14 bottles of whiskey, 9 kilograms of marijuana and a huge quantity of pornographic literature were recovered.

In a government handout, this quantity has been pointed out as sizable among the contraband seized in some half-dozen raids. This quantity can by no means be regarded as sizable since thousands of students of these and other institutions witness these episodes and say that a small number of students of these institutions have far more weapons than mentioned in the handout. In fact, the amount which has been mentioned in the handout is far less than it really was and the whole process was simply a farce.

How? Well, it is evident from the report which our Larkana correspondent filed that the "rumor" of raid had been circulating since the previous evening and, as a result, the majority of troublemakers left the area with their weapons.

According to the official handout, the administration has been concerned with the increasing efforts by a small group of students to disrupt administration and contaminate the educational environment. This group of students was also forcing the other students to boycott classes. There were some occurrences of threats on students' lives and they were forcibly ejected from their hostels. The administration had the prior knowledge that some students were busy in spreading disturbances in other institutions. But all the efforts of the administration and the personnel of the education department failed in preventing it. Many parents were contacted and were asked to intervene but they expressed their helplessness. When all appeals and efforts failed, the administration was forced to take action after consulting the heads of the institutions.

We regard the official position as a fabrication and an excuse for intentional neglect. In our view, a small group of students in educational institutions in

the interior of Sind has the complete protection of administration in its nefarious activities. This action was not taken as a result of "complete helplessness" but as a result of their inability to continue to cover up their activities after the lifting of precensorship. Some time ago when Mian Mohammed Tufail, leader of the defunct Jamaate Islami party informed the president on the state of affairs in Sind and the inefficiency of the administration was exposed, the police spread the rumor of the round up first and then raided, so that there may be a record of the raid in the police files and the culprits may transfer their weapons to some safe places. By raiding half a dozen places and confiscating a gun or two, the administration wants to convince people that all reports of a movement of organized breeding of subversive activities in the interior of Sind are unfounded.

We have written before and we write again that the destructive elements have the patronage of the officials of the provincial governments. Until the administration is cleansed, subversion will not be stopped. In the educational institutions especially, terrorism and subversion are flourishing under the patronage of government officials.

9859

CSO: 4203/85

BRIEFS

INFORMATION SECRETARY REFUTES RUMORS--Rawalpindi, 28 March (Staff Reporter)--Federal Secretary for Information and Broadcasting Maj Gen Mujibul Rahman was asked today by a newsman during a press briefing here why he was not giving them the news which all of them were waiting to hear. Mujibul Rahman asked the newsman back what it was that was being awaited. Newsman: "Before you came in (to the press briefing) today, the press reporters present here were discussing the fact that some high level administrative changes are being made and certain major generals are being promoted to lieutenant generals, including you. It was also heard that you are being appointed governor of Punjab." Maj Gen Mujibul Rahman smiled and said no such changes were in the offing. "You press people float rumors and then on the basis of those rumors you try to push matters forward. If you hear something, please try to verify it," he said. [Text] [Rawalpindi TAMEER in Urdu 29 Mar 82 p 4]

NUSRAT ALLOWED TO STAY--Larkana, 2 April (JANG Correspondent)--The provincial government has granted special permission to Begum Nusrat Bhutto to stay in Almurtaza with Ms Benazir Bhutto. It may be mentioned that the government has declared Almurtaza to be a sub-jail. [Text] [Karachi JANG in Urdu 3 Apr 82 p 1]

WALI KHAN MEETS KARMAL--Peshawar, 5 April (JANG Correspondent)--Khan Abdul Wali Khan, who is these days in Kabul visiting his ailing father, had a meeting with Afghanistan President Babrak Karmal and some members of his cabinet. Wali Khan also had meetings with the Soviet and Indian ambassadors in Kabul and Ajmal Khatak. It has been learned that Khan, who is himself suffering from a knee ailment, will go to England for treatment. It may therefore be a month or two before he returns to the country. [Text] [Karachi JANG in Urdu 6 Apr 82 p 1]

CSO: 4203/110

PHILIPPINES

PRESIDENT CONSIDERS SUBVERSION MINOR THREAT

Manila PHILIPPINES DAILY EXPRESS in English 5 Apr 82 pp 1, 6

[Text] President Marcos said yesterday that subversives no longer pose a danger or a threat to the nation's internal security. He also minimized the supposed infiltration of labor and student groups by subversives.

The President said that only about five or six labor leaders were under surveillance.

"We know that they have been receiving funds from abroad," he declared. "But they say that 'This is only for our members, not for any subversive activity.' So we tell them, okay, we will watch, but don't overstep the bounds."

As to the subversives, the President said:

"May I be frank and say, it's all newspaper reporting." He said that reports of the strength of the subversives vary every now and then. In Samar, he said, there are reported to be 300 subversives. In Luzon, another 300.

"That's about all," he stated. "They are not a danger, or a threat. They were carrying rifles but they are not soldiers--meaning, they are not ready to pit their strength against the armed forces."

The President said: "Most of them are 'hit-and-run guerillas.' They will not be able to hold territory," he added.

The President said the casualty ratio was about five or four to one in favor of the government.

On the labor front, the President said that he was not opposed to the desire of labor leaders to improve the situation of members. However, he warned the labor leaders: Don't overdo it. Don't think in terms of paralyzation of industry."

The President said that the moment there is an attempt by union leaders to paralyze industry, "we will pick them up."

On the matter of student activism, the President noted "the fashionable atavism of some of the younger generation."

He said their leaders have been warned not to use violence.

"Don't coerce people, don't intimidate people, and you can do whatever you want to do," he told them. "You try to convince people, yes, sure, by all means, but let others do the same."

Addressing himself to students with Marxist, socialist and leftist leanings, he stated:

"If you haven't learned that communism is the most authoritarian and fascistic system in the world by the time you are in the second or third year of college, then you should leave college and look somewhere else."

The President noted that some of those who are now in the activist group are those who have not been attended to by their partents, "just like the drug addicts and the delinquents."

He described them as a "drawback, a return to the 1960s and 1970s who make believe, by looking like the activists of 1960, that they cut a fashionable figure of radicalism which is not correct. They should be good subjects for a psychological study."

CSO: 4220/506

NEW POLITICAL PARTY EMERGING

Manila PHILIPPINES SUNDAY EXPRESS in English 4 Apr 82 p 4

[Editorial]

[Text]

WITH the question now boiling down to who should be the official head, it seems that the emergence of a new and consolidated opposition political party will finally materialize.

The emerging party which still has to adopt a name is actually a merger of 10 political groups under the umbrella of the United Democratic Organization or the UNIDO. The UNIDO is the closest opposition groups have gotten so far in trying to project a stronger and more united opposition to the ruling party.

The move to form a new political party was initiated about two months ago when leaders of four major opposition groups agreed to close ranks and work towards the unification of all opposition parties and groups under just one political party. The groups were the Liberal Party, Nacionalista Party, Lakas Ng Bayan, and the Pilipino Democratic Party.

Though it should have come sooner, the ambitious initiative was a welcome development, considering that political oppositionists in the country, few as they are, have been hopelessly splintered the past years. This has led to a very anemic and ineffective opposition incapable of fiscalizing the ruling party and gaining adherents from the public.

Even the government feels uneasy about this state of affairs. President Marcos himself has time and again encouraged a more dynamic opposition in the polls and in the halls of the legislative body. A weak opposition, after all, does a great disservice to a democratic system which the nation hopes to enhance.

Whether the opposition leaders can now get together and hurdle the task of unification is something the public has to see. They should now find ways to establish a firmer and more lasting cooperation based on common purpose and goals.

The task certainly won't be easy. The obstacles are many. There are clashing personal ambitions and petty quarrels to start with. Then, there are the differences in political orientations or ideological lines which fail to meet at a common ground. Even

now, some opposition groups have expressed unwillingness to join the emerging political party.

But if only to survive in the political arena, the various opposition groups should now link up and forge a unity that would bring about a more potent and influential opposition. It is in fact their duty to the people to bring about an active and vocal opposition, something which our democratic system cannot do without.

CSO: 4220/508

SECURITY LINKED TO KKK

Manila BULLETIN TODAY in English 6 Apr 82 pp 1, 11

[Article by Brenda Piquero Tuazon]

[Text] The First Lady, Minister of Human Settlements Imelda R. Marcos, told a meeting of civilian and military officials yesterday that the national security could be partially anchored on the success of the Kilusang Kabuhayan at Kaunlaran livelihood program.

Hence, she said, these officials should coordinate their efforts to improve the delivery of basic services, particularly in the rural areas.

She said this should counteract efforts of subversives to build up a mass base.

She told Armed Forces Chief of Staff Gen. Fabian Ver that the military could still improve its image by showing more "love, humility, and compassion," even to known enemies.

Noting that subversives posed no immediate danger to national security, she said that the contest for the hearts and minds of the people continued in the rural areas.

The government, she said, could not just fall back on a preponderance of strength and resources.

She told the officials that while the government already has put in place programs to alleviate the sufferings of the poor, popular support could be lost by too much reliance on force.

"I am not worried as long as the subversives continue to employ violence," Mrs. Marcos said. "But when they start to be nice and friendly to be people and start acting as if they were the protectors of the people, then I start to worry."

The First Lady said that in areas where the subversives could not discredit the KKK program, they would take advantage of its incentives.

She called on the Ministry of Local Governments to keep local officials on their toes. Failure of the local leadership usually create conditions for discontent, she said.

"In this struggle, the most potent weapon is still love and compassion," she said. "Love can melt and force can only strengthen resistance."

CSO: 4220/507

PHILIPPINES

CAGAYAN DE ORO MAY GET WORLD BANK LOAN

Manila PHILIPPINES DAILY EXPRESS in English 5 Apr 82 p 20

[Text] The World Bank has approved in principle a loan grant of P165 million to the Cagayan de Oro City government to finance various development projects.

The proposed loan is part of the bank's Regional Cities Development Project (RCDP) financing.

A six-man WB appraisal mission headed by Richard Podolske has accepted the loan proposal presented by Cagayan de Oro City Mayor Aquilino Pimentel Jr.

The loan is expected to be finalized at the Central Bank on April 13.

According to Pimentel the loan will be used to finance nine major projects, four of which are considered immediate priority.

These are the Kauswagan Industrial Estate for small scale export industries, P45.48 million; drainage system, P35.98 million, solid waste management, P5.76 million; Tablon slaughterhouse, P10.35 million; market rehabilitation, P6.28 million; sites and services, P21.44 million and slum upgrading, P8.38 million.

Pimentel said the package deal provides for the following loan arrangement: P70.27 million, city component; P45.29 million for maintenance of city streets and drainage system by the Ministry of Public Works and Highways; P4.55 million for the National Housing Authority's slum upgrading program.

The Mayor said the work on the four immediate priority projects are now on-going. These are the city slaughterhouse, the solid waste management project, the drainage and city streets maintenance programs.

CSO: 4220/506

PHILIPPINES

NEW COMMERCIAL PAPER RULES RESTRICTIVE

Manila PHILIPPINES DAILY EXPRESS in English 6 Apr 82 p 16

[Article by Samuel V. Senoren]

[Text] Cash-starved companies which want to generate funds by floating commercial papers in the securities market may find it increasingly more expensive to do so under new guidelines imposed by the Securities and Exchange Commission (SEC) and the Central Bank.

Even executives of prime commercial paper issuers worry that the projected high cost of CP flotation would add to an already difficult situation under which CPs are to be sold.

The SEC is requiring CP issuers to secure a guarantee cover from any commercial bank or expanded commercial bank equivalent to 20 percent of CPs to be sold.

In securities circles, the 20-percent bank guarantee is called a "committed credit line."

Under this set-up, any issue that falls due for which the borrower avails of the committed credit line, will lead to other issues becoming due and demandable.

Corporate paper issuers find the condition restrictive because in case of a temporary cash flow problem which may result in availment of the bank guarantee, they would be forced to payoff all unmatured portions of the outstanding issues.

Then there is also the question of how much banks are to charge for their guaranty cover. Some banks are thinking in terms of between two to four percent. Development Bank of the Philippines is eyeing three percent. The Philippine National Bank, however, is considering one-half percent as commitment fee.

On top of that are the fees charged by securities dealers and underwriters which are in the range of three percent. All in all, the effective cost of funds generated through the sale of commercial papers could become prohibitive. [as published]

Another matter that has to be resolved involves denominations and pre-numbered forms which are to be printed by the Central Bank. Since the minimum issue is denominated at P300,000. [as published]

Because of the many gray areas under new SEC guidelines, more than 200 active corporate paper issuers have chosen to wait it out until such time that the SEC modifies or revises the guidelines.

The SEC has until June to find out how the new CP policy would fare.

After June, CP issuers are required to reduce their borrowings obtained under the old rules by 25 percent and another 25 percent thereafter until the entire 15-month transitory period is completed.

CSO: 4220/506

PHILIPPINES

MILITARY RETIREMENTS, REASSIGNMENTS ANNOUNCED

Manila PHILIPPINES DAILY EXPRESS in English 6 Apr 82 pp 1, 6

[Text] A top-level revamp of the armed forces got off the ground yesterday with the retirement of six army generals and four colonels occupying key positions in the military hierarchy.

A parade in honor of the retiring generals will be staged this afternoon at Fort Bonifacio.

The generals who were allowed to retire were listed as:

1. Ruben Romero, assistant division commander of the 5th Infantry Division based in Tarlac.
2. Emilio Luga, 4th division commander in Mindanao.
3. Angel Queding, 1st army division commander in Jolo, Sulu.
4. Cesar Templo, 3rd division commander in the Visayas.
5. Protacio Dipakakibo, chief of the 52nd engineering brigade.
6. Pedro Abangan, deputy commander of the army 4th division.

The names of four colonels whose service was not extended were not immediately available.

Brig. Gen. Mariano Miranda, who was appointed in an acting capacity, replaced Queding as chief of the 1st army division.

Col. Madrino Munoz was named officer-in-charge of the 4th division, vice Luga, while Col. Eusebio Cordero was designated OIC of the 52nd engineering brigade, vice Dipakakibo.

Sources said a similar revamp in the three remaining armed forces services--the air force, the navy and the PC--will follow shortly.

The retiring generals will be conferred various honors in today's rites to be attended by top AFP officers led by Gen. Fabian C. Ver, armed forces chief of staff.

Five of the retiring generals belong to Class '54 of the Philippine Military Academy.

It was noted that the continued presence of "over-extended generals" in the service has spawned restless junior officers who have been waiting for promotions.

CSO: 4220/506

WARNING ISSUED ON ILLEGAL STRIKES

Manila PHILIPPINES SUNDAY EXPRESS in English 4 Apr 82 p 9

[Text]

LABOR Minister Blas F. Ople warned yesterday workers against illegal and hasty mass actions that would undermine the stability of the state.

Ople said the government will not hesitate to jail strikers once it finds out that the actions are designed to promote destabilization of the government.

He said worker's complaints of oppression cannot legitimize any concerted action although they can lead workers to strike illegally.

The minister said there is a lurking suspicion that some unions are using collective bargaining to promote social and economic instability for their ulterior political objectives.

IN A TALK with newsmen, Ople also:

- Said that an agreement between Saudi Arabia and the Philippines in the field of labor and manpower is expected to be signed in October.

- Expressed the hope that the

Supreme Court will soon decide the constitutionality of a Labor Code provision on the restructuring of the labor movement along the one-union-one-industry concept.

- Reiterated that the high tribunal's decision on the Marcopper Mining issue granting the workers 13th month pay on top of a Christmas bonus only applies to companies in similar situation with the mining firm.

- Disclosed that the Batasang Pambansa will call a public hearing on April 14 on the picketing and anti-sab bill.

THE MINISTER said industrial relations in the country has stabilized, on the whole, with Batas Pambansa No. 130 or the new strike law.

He said the people can look forward to industrial stability despite what he called the adverse fortunes of the country's export products because of the foresight of President Marcos and the Batasang Pambansa.

Ople said that many of the strikes that ensued after the new strike law were due to inter- and intra-union disputes.

CAUSE OF INDUSTRIAL UNREST TRACED

Manila BULLETIN TODAY in English 5 Apr 82 p 5

[Text] Labor Minister Blas F. Ople attributed the industrial unrest since the approval of Batas Pambansa 130 or the new strike law to a failure to apply a structural solution to inter- and intra-union disputes.

He told newsmen at a press conference that these disputes have emerged as a conspicuous element in many of the strikes declared by workers since BP 130.

By structural solution, the minister said he was referring to the Labor Code provision calling for the restructuring of the labor movement on a one-industry, one-union basis.

Under the Labor Code promulgated by President Marcos, this restructuring will have to be undertaken by the labor movement itself.

However, its implementation was interrupted when the Federation of Free Workers and the Trade Union of the Philippines and Allied Services questioned the constitutionality of the provision before the Supreme Court.

The two labor federations in elevating the matter to the high tribunal questioned the provision as discriminatory and the procedures of implementing it.

What they considered unacceptable was the possibility that certain existing trade unions would be given monopoly franchises in some industries.

The two groups, however, declared their support for a restructuring if a democratic convention will be called to adopt the procedure for carrying it out.

The minister expressed hope the trade union movement could achieve unity through restructuring to get rid of union raiding and inter-union or intra-union disputes.

He expressed hope the Supreme Court could resolve the constitutional issue on the restructuring provision of the Labor Code.

CSO: 4220/507

PHILIPPINES

NEW AGENCY TO SETTLE LAND PROBLEMS

Manila PHILIPPINES SUNDAY EXPRESS in English 4 Apr 82 pp 1, 8

[Text] President Marcos, following up his appointment of three members of the Commission on the Settlement of Land Problems, told Malacanang newsmen that his main concern in this regard is to relieve small settlers and landholders, including cultural minorities, of the expense and delay in solving such problems and disputes.

"Land problems are frequently a source of conflict among small settlers, landowners and members of cultural minorities," he stated.

The President said these problems, if not properly and immediately attended to, "will breed social unrest which will hamper the implementation of government programs designed to ameliorate the living conditions of people involved in these problems."

He said the creation of the Commission on the Settlement of Land Problems, under an executive order, should provide a mechanism for the expeditious settlement of these problems.

The President said that with his appointment of three members, he hoped he had established "a more effective administrative body."

He inducted into office the three members of the Commission at the closing of the seminar on judiciary reorganization:

Commissioner Josefina Garcia Se, and Associate Commissioners Danilo B. Pine and Sulayman Hadji Datu Antonio, a Muslim.

The Commission's powers and functions are:

1. Coordinate investigation and streamline procedures to assist small settlers and landholders, including cultural minorities, to speed up solution of such problems and disputes.
2. Assume jurisdiction and resolve land problems of disputes which are critical and explosive in nature. These include disputes between occupants/squatters and timber concessioners, reservation grantees, public land

claimants, lands of the public domain, and other similar land problems of grave urgency and magnitude.

3. Recommend to the President innovative measures to resolve expeditiously such problems or disputes.
4. Evolve and implement a system of procedure for the speedy investigation and resolution of land disputes or problems at the provincial level.
5. Undertake a comprehensive study of the cases of land disputes.
6. Review present policies in relation to the need for land of the agro-industrial sector and the small farmer, and recommend new laws and policies and establish priorities in the grant of public lands.

Commissioner Se is a former judge in the court of agrarian relations since 1968. Before that, from 1957 to 1968 she worked in the Ministry of Justice, as tenancy mediation commissioner.

CSO: 4220/508

PHILIPPINES

MIDEAST CONSTRUCTION PROJECTS SUPPORTED

Manila BULLETIN TODAY in English 4 Apr 82 p 1

[Article by Mario Casayuran]

[Excerpt] The Philippine government has thrown its full support to local construction and service contractors involved in the multi-billion-dollar infrastructure programs in the Middle East.

The support, contained in a series of letters of instructions issued to government ministries and agencies, followed the visit of President Marcos to Saudi Arabia recently.

The instructions called for the speedy processing of contract workers' documents and control of workers' dollar remittances through the Central Bank.

They allotted funds for the new Middle East and Africa regional labor office and imposed measures strengthening the administrative machinery for overseas employment and contracting.

The instructions were addressed to the Central and the Development Banks which were made responsible for certain needs of Philippine construction contractors and service contractors.

The new program is based on a system of accreditation and categorization recognizing the varying degrees of creditworthiness and capability of firms.

It will provide accredited contractors with immediate access to bid bond facilities, advance payment guarantee facilities, and performance guarantee facilities.

It will be supervised and implemented by a single agency, such as the DBP or such other agency as may be designated by the CB.

Its implementation in Saudi Arabia will be managed by an extension office at the Philippine embassy.

CSO: 4220/507

NEW SHIP DEMANDS TO BE MET

Manila BULLETIN TODAY in English 5 Apr 82 p 16

[Text]

DUMAGUETE CITY — The Philippine government will pursue an increased participation and competitiveness of Philippine-flag vessels in the carriage of foreign trade.

This was revealed Tuesday in a conference of telecommunications and transportation government officials of the Ministry of Transportation and Communication at the Hotel El Oriente in Dumaguete city.

The conference served as a Central Visayas management advisory council meeting. City and municipal mayors of Negros Oriental discussed their problems with the government transportation and communication technocrats.

According to Roy Edralin Se, Central Visayas regional director of the maritime industry authority (Marina), by 1987, the share of Filipino vessels in the carriage of Philippine trade is targeted at 26 per cent.

He said the initial acquisition program of the overseas shipping companies shall be met largely through importation, bareboat chartering or lease-purchase arrangements.

He added the Marina shall, however, encourage local construction of ocean-going vessels, particularly those for short routes, through a mixture of incentives, sound policies and other benefits. He said that the Philippine shipping industry has about 691 vessels of va-

rious types and sizes with an aggregate tonnage of 515,250 deadweight tons (DWT) will be required during the 1981-1987 period to meet increasing demands for water transportation and fish production.

He also said coast-wise trade projection assumed a six per cent annual increase while a 5.5 per cent increase per year was assumed for productivity of vessels from 1980 levels.

Se added that of the total requirements, 207 vessels with a total tonnage of 109,400 DWT will be required as additions.

He said that based on the assumptions that 50 per cent of passenger/cargo, cargo and tankers and 80 per cent fishing vessels shall be acquired

through importation and the rest through local construction. It is projected that 80 vessels of various types and sizes of a combined tonnage of 48,700 DWT shall be acquired through importation while 127 vessels of 60,700 shall be constructed locally.

This means that 484 vessels or a total tonnage of 408,000 DWT shall be required as replacements in as much as vessels above 30 years of age are assumed to be due for replacement.

Percentage-wise, Se said 30 per cent of the local number of requirements of 21 per cent of the total DWT requirements would be attributed to fleet build-up requirements and the rest to replacements. (PNA)

PHILIPPINES

STRONG GAS PRESSURES CLOSE WELL

Manila BULLETIN TODAY in English 3 Apr 82 p 36

[Text] An oil consortium drilling in northwest Palawan immediately plugged a well for the safety of the hundreds of its crew members.

A highly placed source in the oil exploration industry disclosed yesterday that the well, called Linapacan-1, had to be plugged at 1,818 feet before reaching its programmed depth of 3,000 feet.

According to the source, strong gas pressures were encountered during the retrieving of rock samples from the well. The consortium, according to the source, can not control the pressure that safety measures had to be resorted to prevent the drilling rig from blowing out.

The source added that the decision to plug the well had to be made to avert a similar occurrence in Mexico where a recent drilling encountered high gas pressures resulting in deaths to crew members, explosion of the drilling rig used and pollution arising from the oil spill.

He explained that the gas, known as hydrogen sulfite (H_2S), which is normally encountered in drilling operations, could be fatal since it is an odorless one. Crew members, according to him, could easily sniff the gas without knowing it.

The drilling at Linapacan, done by the oil rig Apollo, would later be done on May at a nearby area. [as published]

The source said that in the second attempt to drill the structure, the consortium would now be more careful and drill ahead at 1,818 feet to avoid the adverse borehole conditions present during the first drilling. Members of the consortium are led by Philippine Cities Service Inc., an American subsidiary which is so far the most successful in the country.

Linapacan hugged the business scene earlier this week after it showed some oil signs at a shallow depth of 1,600 feet. The well hit a sandstone structure similar to those in Galoc where an oil strike was previously recorded.

CSO: 4220/507

PHILIPPINES

PHOSPHORIC ACID PLANT PLANNED

Manila BULLETIN TODAY in English 5 Apr 82 p 14

[Text] Polyphosphates, a joint venture company between Chemical Industries of the Philippines and Albright and Wilson Ltd. of the United Kingdom, will be establishing a P57 million phosphoric acid plant which will be the first in the Philippines and the third and largest in Southeast Asia.

The major expansion project of Polyphosphates, a board of investments-registered company enjoying preferred pioneer status, will have a capacity of 50,000 metric tons of phosphoric acid.

Polyphosphates signed a letter of intent with Power-Gas India, a company affiliated with the worldwide Davy McKee engineering organization, to provide the engineering design and consultancy services associated with the construction of the plant which is calculated to be completed by June, 1983.

The phosphoric acid plant, which is the first in the Philippine industrial scene and will be the first and largest in Southeast Asia, is being pursued by the Chemphil subsidiary in line with the government's desire for the backward integration of major industries towards more economic independence.

The plant is expected to displace more than \$100 million worth of imported phosphoric acid. It is also geared towards penetrating the Asian export market.

Food grade phosphoric acid is used by the soft drinks and the food industries, while phosphoric acid in its technical grade is a major raw material for the manufacture of sodium tripolyphosphates (STPP) and tetrasodium pyrophosphates (TSPP).

Polyphosphates is the only local producer of STPP and TSPP for the manufacture of detergents.

Albright & Wilson is one of the largest chemical firms in the UK.

CSO: 4220/507

PHILIPPINES

BRIEFS

EXPORTS TO CANADA--Toronto, Canada--nontraditional products such as integrated circuits, canned tuna, apparels, furniture and leather gloves dominated Philippine exports to Canada in 1981. The share of non-traditional products reached 66.2 percent or \$72 million of total Philippine exports worth \$108.7 million last year. But the single largest export item was coconut oil valued at \$10.7 million followed by canned pineapple worth \$7.7 million. The leading non-traditional product, integrated circuits, was valued at six million dollars representing 5.5 percent of total exports. Tuna reached \$4.8 million, apparels \$4.7 million, furniture \$4.3 million, and gloves \$3.3 million. Philippine exports to Canada have been growing consistently since 1974, when it totalled only \$15.7 million. For the first time, last year, the Philippines erased its perennial trade deficit with Canada and registered a \$27.6 million surplus. (PNA) [Text] [Manila PHILIPPINES DAILY EXPRESS in English 5 Apr 82 p 18]

U.S. SEEN FAVORING JAPAN--This week, we are commemorating the 40th anniversary of the Fall of Bataan, Japanese, Philippine and American flags are flying all over Manila and Bataan. Some 200 Japanese and American soldiers who fought in Bataan are attending the solemn rites to emphasize the search for peace. But the whole celebration carries a ring of irony. Japan was the dreaded and hated enemy of the United States in 1942. The Philippines was the staunch ally and friend. Today, Japan and the United States are friends and allies. The Philippines is an "also friend" of the United States. And we are celebrating this? [By Teodoro F. Valencia] [Excerpt] [Manila PHILIPPINES DAILY EXPRESS in English 6 Apr 82 p 4]

COCONUT-CHEMICAL PROJECT--The Board of Investments (BOI) has approved the P1-billion coconut-chemical project in Bauan, Batangas, of the United Coconut Chemicals, Inc. (Unichem). The project involves the processing of coconut oil into fatty alcohol and fatty acid with glycerine as by-product. These coco-chemicals are largely used for commercial and industrial applications, and are a suitable substitute to some petroleum-based chemicals most commonly used in the detergent industry. The P1-billion project is a joint venture between the United Coconut Planters Bank (UCPB) and the German company Lurgi Umwelt Und Chemotechnik GmbH which will also provide the technology. The company intends to finance the project through loans of P679 million and the balance through equity contributions. Approved annual capacity for the project is 30,010 MT of fatty alcohol, which will be

primarily for the local market; 8,000 MT of glycerine for the export market; and 29,175 MT of fatty acids, also for the export market. The coco-chemical venture will employ 199 workers. The company has an authorized capital stock of P500 million, of which P170 million is subscribed and paid-up. It has Defense Minister Juan Ponce Enrile as chairman, and Eduardo Cojuangco as president. [By R. A. Liquicia] [Text] [Manila PHILIPPINES DAILY EXPRESS in English 6 Apr 82 p 15]

MORE KKK PROJECTS APPROVED--The Kilusang Kabuhayan at Kaunlaran National Secretariat now approves for funding an average of 20 livelihood projects each day and if this trend continues, as indications show it will, some 6,200 projects will be approved by the end of the year. This was disclosed yesterday by KKK Deputy Secretary General Jose Conrado Benitez who said that during the six-day period of from March 15 to 20, alone, some 125 projects were approved, bringing to 2,003 the total number of projects approved since the implementation of the Kilusan some eight months ago. Of the newly approved projects, 65 are in Luzon, 49 are in Mindanao, and 11 are in the Visayas. They will provide direct livelihood to 1,441, bringing to 365,773 the number of people that are benefitting and will benefit from the movement. Also, during the six-day period, 77 projects were under evaluation which when approved will directly employ a total of 1,118 people. [Text] [Manila BULLETIN TODAY in English 3 Apr 82 p 24]

PHILIPPINE-SPAIN AIR PACT SIGNED--An air accord establishing direct flight between Manila and Madrid is scheduled to be signed in May during the official visit here of Spanish Foreign Minister Jose Pedro Perez Llorca. Spanish ambassador Pedro Ortiz Armengol said the Spanish foreign minister will be accompanied by his wife. Armengol said Llorca would be returning the visit made by Philippine Foreign Minister Carlos P. Romulo to Madrid last year. He said the two officials would discuss the increase and the balance of trade between both countries. Armengol said both the Philippines and Spain are tourism-oriented, and noted that the arrival of Spanish tourists here has increased to a few thousands yearly. The Spanish envoy said he was certain that the visit would generate a lot of goodwill, noting that Spain and the Philippines have always had close ties with each other. [Text] [Manila BULLETIN TODAY in English 6 Apr 82 p 5]

ARAB BANKS' \$500-MILLION FACILITY--A group of bankers from the Middle East are coming here later this month to finalize details of the \$500-million short-term reciprocal deposit line facility obtained during President Marcos' recent state visit to Saudi Arabia. The bankers represent several Arabian banks in Saudi Arabia but Bahrain, Kuwait and Abu Dhabi as well. The facility is basically an arrangement for both Middle Eastern banks and the Central Bank of the Philippines to mutually place their liquid foreign exchange funds in money market placements with each other. The deposit placement, which can reach as much as \$500 million, will be at market rates and may be drawn over a period of one year. [Text] [Manila PHILIPPINES SUNDAY EXPRESS in English 4 Apr 82 p 17]

NUTRITION PLAN OUTLINED

Colombo SUN in English 25 Mar 82 p 7

[Article by Dr Wickrema Weerasooria, secretary, Ministry of Plan Implementation: "Blueprint for a Healthy Lanka"]

[Text] The Food and Nutrition Policy Planning Division (F & NPPD) in Sri Lanka was created subsequent to a recommendation made by the FAO in 1977, based on the results of the CDC Survey in 1975/76.

The findings of this survey indicated that the incidence of chronic undernutrition (stunting) was around 34.7 per cent; acute undernutrition (wasting) amounted to about 6.6 per cent while a combination of both forms of malnutrition known as concurrent acute malnutrition averaged nearly 3.4 per cent.

According to the Gomez classification about 42 per cent of the pre-school population are suffering from 2nd and 3rd degree malnutrition. I do not wish to reiterate this aspect of the problem as it is well documented.

Although the Food and Nutrition Policy Planning Division was in existence from 1977 it really did not play an active role in formulating national nutrition policies probably due to the fact that malnutrition was considered purely to be a problem related to the health sector and as such emphasis was weighted more towards medical nutrition per se. Today, politicians, policyplanners, administrators, nutritionists, economists and experts have identified the problem of malnutrition as a multi-sectoral problem and its solution lies in an inter-disciplinary strategy.

The government, receptive to this approach, decided in 1979 to re-structure the Food and Nutrition Policy Planning Division and located it in the Ministry of Plan Implementation so that this subject could be given the highest recognition at the policy level besides ensuring effective co-ordination of the numerous governmental and non-governmental activities and functions associated with the subject of food and nutrition.

The Food and Nutrition Policy Planning Division, having studied the various data, evidence and documentation available on the subject, apprised the

government on the magnitude of the malnutrition problem by a Cabinet paper submitted by the President in early 1980. The major policy considerations set out in this Cabinet paper are summarized as follows:--

Formulation of a Food and Nutrition Policy Plan for Sri Lanka in relation to food production and consumption.

Income

Income distribution must be strongly emphasized in all development programmes. Poor income groups have to be sustained and their share of real income should be improved.

Essential food distribution schemes and nutrition services to the target groups of the population should be maximised until such time as development proceeds to enable these groups to meet their specific needs.

The entire pricing structure of the food sector should be reviewed with a view to promoting the production of low-cost staple foods and the development of cheap nutrition-oriented food technologies to service the needs of the poor income groups.

Sectoral co-ordination at the central and local government levels will be useful in implementing an integrated nutrition package involving population, food production, nutrition sanitation and health care. A well structured integral services plan could be more effective at less cost.

Population policy directed towards the enhancement of nutritional status.

Based on this cabinet paper, the government established a National Food and Nutrition Co-ordinating Committee at the national level and 24-district food and nutrition co-ordinating committees at the sub-national level. The purpose underlying this strategy was to formulate food and nutrition policies appropriate to national and regional needs.

Further, by this means effective inter-sectoral co-ordination was established among the various sectors and disciplines so that maximum possible interaction between the various agencies could be achieved.

Both at the national and sub-national levels the committees are comprised of resource persons drawn from the relevant disciplines. The National Food and Nutrition Co-ordinating Committee is serviced by 8 panels (nutrition, nutrition education, food surveillance, food pricing and agricultural products, research, low-cost weaning goods, soya development technology, ayurveda, non-governmental organisation etc.) which advise the National Food and Nutrition Co-ordinating Committee on major policy issues.

The N.F. and N.C.C., in turn, canvasses various issues at the level of the committee of development secretaries, national food policy committee, cost of living committee, national health development committee, and other policy formulating groups. Similarly, the counterpart infrastructure at the

regional/district levels will service the newly-created District Development Councils.

The Food and Nutrition Policy Planning Division is broadbased in composition. The division consists of food, nutrition and socio-economic sectors. Its policy objectives and functions are briefly enumerated:

To develop an analytical approach through surveillance and operational research to assess the nutrition situation in Sri Lanka, specifically its casual nature and trends;

To propose national nutrition objectives and priorities in the development planning process with a view to ranking nutritional goals in relation to other development goals;

To identify strategies and measures designed to alleviate the malnutrition problem through food subsidies, food aid, preventive and curative intervention programmes and through the incorporation of nutrition components in rural-integrated development projects, etc.

To identify and evaluate nutritional implications of policy measures infringing on the lowest deciles of the low-income poverty-stricken groups in relation to food production, availability, pricing, distribution etc.

To develop a long-term food strategy related to food production and consumption patterns quantifiable to nutrition needs and basic wage rates.

Some of the major highlights of the government's nutrition work programmes and achievements which are discussed in the following sectors clearly pinpoint the multi-dimensional nature of the nutrition problem.

These surveys have been undertaken to determine the nutrition status and socio-economic factors which are likely to influence the different types of malnutrition.

This is the first survey of its kind which has been conducted in Sri Lanka. The findings of this survey will provide the base-line data required for future monitoring and surveillance work.

Data Bank

The division has taken steps to establish a food and nutrition surveillance system through the development of a data bank.

The preliminary work on the existing information systems have been reviewed and action is being taken to develop an operation research model for surveillance of the critical indicators affecting the nutrition and socio-economic status in two select districts.

In addition to this project different surveillance systems are being currently tested in the Mahaveli project area and the Hambantota district integrated project.

Research Panel

This panel has been responsible for various policy documents such as the report on the nutrition status and its socio-economic determinants and intervention measures, evaluation of the food stamp scheme and a research survey on this programme, evaluation of the two major supplementary feeding programmes (triposha and the school biscuit feeding project), feasibility study on a soya fortification project for fortifying flour and rice, development of an infant marketing code for the promotion of breast-feeding and use of breast milk substitutes and complementary infant food products.

Besides, a special care study was done for the ESCAP general assembly sessions on food supply and distribution in relation to the Sri Lanka situation.

Education

Emphasis is placed on various aspects of nutrition education relating to target sections of the population. Steps are being taken to develop a national nutrition education policy for Sri Lanka including formal and non-formal types of education.

The post-graduate institute of agriculture has already approved the conducting of appropriate post-graduate and under-graduate courses at the agriculture faculty on a request made by the Ministry of Plan Implementation.

The food and nutrition policy planning division has succeeded in obtaining technical assistance for this project.

In addition to the approach, the Food and Nutrition Policy Planning Division is conducting applied nutrition projects in the districts such as school farms for the cultivation of nutritious crops, adult education programmes in all electorates on food hygiene, food processing, storage, importance of nutrition in the pre-school and school child, family planning, nutrition-integrated services, etc. The division with the assistance of the University of Colombo Medical Faculty is working on a supplementary reader on nutrition for higher grade school children.

Communications

The objective of this project is to disseminate the nutrition message to a wide cross-section of the population. In pursuance of this objective a whole gamut of available services are being explored to cater to different audiences: The radio is being used for panel discussions on the nutrition theme, feature programmes and the broadcasting of nutrition jingles; the newspapers highlight the various nutrition messages by means of articles, essays, short stories, news features etc. Films on malnutrition and rehabilitation are being shown in different areas. A film on low-cost weaning food has been produced by the division keeping in mind the rural situation in the country. The division also publishes a quarterly bulletin on food and nutrition to suit the village clientele. District food and nutrition seminars have been conducted in all districts to create a nutrition awareness and assist the

food and nutrition co-ordinating committees in formulating the district nutrition plans.

This project is aimed at promoting research and development on low-cost weaning foods. At present a research project is co-ordinated by this division with the technical assistance of the paediatrics department of the University of Sri Lanka at the central agricultural research institute at Gannoruwa. Further, this project attempts to remedy deficiencies in the food intakes of infants under one year of age.

By this project the government expects to introduce a low-cost protein-fortified food at reasonable prices to the low-income and at-risk segments of the population. While this would result in the development of soya bean technology as well as soya production, it would also promote the use of low-cost fortified foods such as bread, buns, biscuits etc.

Flour

The development of a Food Surveillance Project was undertaken with a view to ensure safety in the handling of food products and to minimize food contamination in the food distribution chain which is fundamental to proper nutrition. Adequate surveillance is clearly indicated because of the increasing entry into the market of substandard foods both local and imported. Further, with the liberalization of imports and with the identification of new export markets the import-export trade has greatly diversified. Therefore, steps are being taken to strengthen the existing food control infrastructure facilities and also to increase the training output of different categories of personnel associated with food surveillance work.

Projects

Practically all the 24-districts have commenced field projects initially on an experimental basis. As a second phase project formulation will be consolidated to include specific projects based on the identification and characterization of the nutrition situation in respect of the different ecological areas. It is hoped that every district, with the experience gained so far, will formulate its own nutrition development plan as an on-going component in the annual district development plan.

I have within this brief space of time discussed the broader policy objectives of the government in the area of Food and Nutrition and have enumerated the different sectoral strategies that need to be examined and integrated into a joint plan of action commensurate with the magnitude of the problem.

CSO: 4220/508

THAI-LAO RELATIONS VIEWED IN CONTEXT OF INDOCHINA ISSUES

Bangkok SIAM MAI in Thai 20 Mar 82 pp 19-22

[Article: "Thailand and Laos, the Two Sides of the Mekong River: Friendship Amidst the Smoke of Guns"]

[Text] General Sitthi Chirarot, the minister of interior, returned from a visit to the Lao People's Democratic Republic on 6 March. During his 2-day visit to Laos, General Sitthi talked about the results of the trade talks and the request to open border crossing points and about solving the interactive problems at the level of the officials who carry out the work.

General Sitthi's trip to Laos took place at a time when the situation along Thailand's eastern border with Kampuchea is very tense. The clashes in which Vietnam fires artillery rounds into Thailand has resulted in almost daily loss of life and property among the villagers who live in this area. And it has reached the point where General Athit Kamlangek, the commanding general of the First Army Area, has ordered that their fire be returned fiercely. And it does not look as if this will stop. At the same time, the Vietnamese radio has attacked Thailand and Asean for assembling the three Khmer groups at Peking.

This visit to Laos by General Sitthi is like an attempt to "change horses in midstream," as Squadron Leader Prasong Sursiri, the secretary-general of the national Security Council, once said during a lecture on whether the world situation was becoming very grave. If Thailand thinks that it can separate Laos from Vietnam, it will be just as some scholars have criticized. This is a problem that requires an answer.

Laos and Kampuchea, Buffer Countries

Looking at the dangers from outside enemies, Thailand today is on the receiving end and has almost been forced to retreat because outside enemies have reached the door. That is, the 20 Vietnamese divisions in Kampuchea and the five divisions in Laos have reached the Thai border in the east and northeast. Thus, it is probably no longer possible to consider Kampuchea and Laos as being buffer countries.

However, the tenseness from the frequent clashes near the Thai-Kampuchean border with the Vietnamese troops, clashes that occur almost daily these days, have not caused any tenseness among Thai officials in the Thai-Lao border area, the length of which is 1,500 kilometers.

Thus, the attempt to reduce the tenseness between Thailand and Laos represents a special attempt by Thai officials. Even though there have been clashes at Don Sangkhi and Don Kamphaeng in Bungkan District, Nong Khai Province, clashes in which Laos sent a MI-8 helicopter and two Mig aircraft on reconnaissance flights, Thailand has tried to improve the situation by opening two border crossing points in Nong Khai Province in order to reduce the violence of the past few days so that the situation returns to normal as quickly as possible.

Concerning the various events that have occurred, rather serious observations have been made to the effect that this is a plan of another side that wants to display the conflicts between the two groups of countries. Concerning the call for negotiations between the two groups of countries, that is, Asean and the Indochina countries, Vietnam is trying to propose things in a very reasonable way in order to show the neutral countries and the world community that it is Thailand that is threatening and exerting pressure on Laos. But because of the efforts of Thai officials, matters have improved. High-ranking Thai officials at the level of deputy provincial governor have paid unofficial visits to Laos. There have been soccer matches to cement unity between Nong Khai Province and Vientiane and there have been arts and cultural exchanges.

Laos and Kampuchea, the Indochina Front Man

Even though the blood ties and the cultural ties between Laos and Thailand are very close and even though we have had continuous relations for hundreds of years, making it extremely difficult to separate us, and continue to have such relations, politically, Laos has been occupied by five Vietnamese divisions that entered the country during the war with America.

Thus, there is no doubt that some Lao soldiers have been sent to help the Heng Samrin forces fight the Khmer Rouge in order to bind Laos more tightly to the Indochina group. The Lao minister of foreign affairs has been used as the representative of the Indochina countries. He sent a note to the embassies of the Asean countries in Vientiane calling on them to join in convening a conference between the two groups. He even proposed that the meeting be held in some place such as Rangoon, Jakarta, Kuala Lumpur, Vientiane or New Delhi. And he proposed various formats for the meeting.

Mr Phoun Sipaseut, the Lao deputy prime minister and minister of foreign affairs, travelled to Indonesia and Malaysia but did not visit Thailand or Singapore, which have tough policies on the Kampuchean problem. Besides this, he also visited Burma to discuss things with U Lay Maung, the Burmese minister of foreign affairs. It can be seen that Laos has continually been used as the front man for the Indochina group and that this has been rather effective.

The Soviet Union Has Stopped Using Vietnam

More recently, there have been rather definite reports that the Soviet Union is trying to give direct support to Kampuchea and Laos without going through Vietnam. This has made Hanoi very unhappy. This has happened because the Soviet Union is unhappy because Vietnamese officials are very incompetent and corrupt. Lao Prime Minister Kayson Phomvihane went and took part in the 26th Congress of the Soviet Communist Party and held discussions with President Brezhnev. Most recently, at the end of last year, support was requested in accord with the 5-year economic and social development plan. Concerning this aid and the cooperation between Laos and the Soviet Union, the important points are as follows:

1. An agreement on cooperation in the fields of transportation and communications was signed at Vientiane on 15 April 1981. It mentioned repairing highways 9 and 13, which are important strategic roads from Vietnam to Laos and Kampuchea.
2. Free aid was to be provided for the construction of a regional communications station at Muong Phon Hong on Highway 13, 51 kilometers north of Vientiane. Construction was completed in July 1981 and will be part of the inter-Sputnik telecommunications network of the Soviet Union.
3. An agreement on economic, technical and scientific cooperation was signed at Vientiane on 23 April 1981. It stated that the Soviet Union will conduct studies and gather data on the construction of a permanent oil pipeline and system to send oil from Vietnam to Laos.
4. A memorandum on Soviet support in building a tin smelting plant in Kham Muon Province was signed at Vientiane on 17 June 1981.
5. A plan for cultural cooperation and friendship during the years 1981 to 1985 was signed at Vientiane on 18 June 1981.
6. A memorandum on sending construction equipment and Soviet experts to Laos during the years 1981 to 1985 was signed at Vientiane on 24 June 1981.
7. A protocol on aid that the Soviet Union will provide to Laos to construct a vocational school for 600 people and on sending instructional equipment to three colleges was signed at Vientiane on 24 June 1981.

Besides this, much support and cooperation has been given by other countries and international organizations in the East European community.

The Impact of the Troops in Laos

Engagement by a group that calls itself the Lao People's National Liberation Front was started in Champassak Province on 15 September 1980. On 13 April 1981, the former prime minister of Laos, General Phoumi Nosavan, sent a note to the secretary-general of the United Nations calling for discussions on the

Laos and Kampuchean problems at an international conference. The note called on the United Nations to guarantee [Laos] sovereignty and to support general elections in Laos.

In this note, Vietnam was attacked for disregarding the sovereignty of its neighbors and for having a plan to annex Laos and make it a province of Vietnam. It also said that the united front had greatly expanded its area of operations by making attacks on transport convoys, routes used to send reinforcements and important military locations.

This united front has approximately 2,000 men. It is composed mainly of right-wing opposition groups. It has cooperated closely with the Khmer Rouge in coordinating attacks and training and combining weapons. There are things that indicate that attempts are being made to join the forces of the opposition groups in Indochina to the Fulro movement in Vietnam with the Khmer Rouge serving as the core. These united front groups operate in the following areas:

The north: Here, they mostly gather intelligence, carry on psychological operations and establish mass bases from which they carry on operations in Luang Nam Tha, Phong Saly and Udonchai provinces in the central region. Many clashes have occurred in Vientiane Province and especially in Muong Nak Sene and in Kham Muan and Savannakhet provinces. This is the reason that the government and Vietnamese forces have given emphasis to carrying on operations to eliminate them from the Vientiane-Sieng Khouang-Luang Prabang border areas, which are hiding places for the Meo forces.

The south: After the opposition groups have been given weapons training by the Khmer Rouge, they return and carry on operations in these areas. During the period April-May 1981, the road for sending reinforcements from Laos to Kampuchea was attacked many times. This is the reason that the Vietnamese forces in Champassak Province have had to strengthen their forces to protect this road.

Laos and China, a Tense Situation

Along the Lao-Chinese border, where things began to get tense during the middle of last year when there were clashes along the Vietnamese border, both sides have sent notes of protest charging that the other has been guilty of armed provocation and made threats by holding combat maneuvers and that the other has attacked border defense units. Laos is afraid of another occurrence of what happened in Vietnam, that is, that China will start a war to teach it a lesson.

Concerning this, high-ranking [Thai] government officials travelled with the party of Mr Arun Phanuphong, the deputy minister of foreign affairs, during his visit to the Soviet Union last year. This was during the same period when General Prem Tinsulanon visited the United States, where he discussed the Soviet Union's attitude to Thai-Lao relations:

"Actually, the Soviet Union wants us to have much contact with Laos because the thing that the Soviet Union is afraid of the most is that China will start a war with Laos just as it did in Vietnam to teach the Vietnamese a lesson. They hope that if we have relations with Laos, this may help relax China's attitude."

The Lao-Thai Trade Situation

Laos is the only country that Thailand continually had a trade surplus with before the start of the tense situation and before the clashes along the border occurred. As for the goods that Laos needs from Thailand, this ranges from rice to consumer goods. Concerning this visit to Laos by General Sitthi, preparations were made for a later visit by a party headed by the director-general of the Foreign Trade department, and the trade target was set at approximately 1.38 billion baht for this year.

Based on figures from the Department of Business Economics, last year, the value of exports to Laos reached 337 million baht while imports reached only 9 million baht. This can be compared with 1980 when the value of exports reached 850 million baht and imports were 37 million baht. In 1979, the value of exports was 53 million baht and that for imports was only 3 million baht. And in 1978, the value of exports was 337 million baht while that for imports was 56 million baht.

This is another attempt by the Thai government to forge friendly relations with Laos. These are neighboring countries that have been closely linked by lineage and culture for hundreds of years. A previous attempt was made during the period when General Kriangsak Chamanan was prime minister. But this attempt did not achieve the results it should have. Whether or not this attempt by General Sitthi Chirarot during the present administration of General Prem Tinsulanon fails and turns to violence is something that is worth watching.

11943

CSO: 4203/74

THAILAND

SECURITY FORCES AMMUNITION SAID TO HELP COMMUNISTS

Bangkok KHAO CHATURAT in Thai 22 Mar 82 pp 19, 20

[Article: "The Same Ammunition"]

[Text] It cannot be denied that even though the CPT headquarters in Surat Thani was overrun and the guerrilla forces dispersed, in achieving this victory, the Royal Thai Army, which overran this camp, tripped over a "mine" of such great destructive power that it will be impossible to avoid its great effect. While advancing and clearing the forward area and the land leading up into the mountains, male and female "thahan phran" irregulars from the Pak Thongchai camp in Nakhon Ratchasima discovered, in addition to the ordinary items for living in the jungle that had been left about as clues, 500,000 rounds of M16 and M41 ammunition. This has provided a very strong clue. This ammunition was packed in new cardboard boxes that were clearly marked as having been produced by the Ordnance Department.

The very first guess was that this was a matter of corruption involving some officials who had taken this ammunition and sold it through certain accomplices such as timber smugglers and miners in the jungle areas, who are people who have very close relations with the guerrilla forces in the south. Such was the talk at the Government House after this news came out. It was also pointed out that two of the important figures in this ammunition corruption case were a colonel and a captain. The initial investigation reports focused on rifle. However, those who have looked at this more closely have focused on another point, one that is difficult to bring up and conclude. Thus, CHATURAT is presenting the views of (Special) Colonel Han Phongsitanon, who focuses on the matter of corruption, in order to help clarify the matter.

"Concerning this ammunition that was stolen and sold, as for an ordnance official stealing ammunition for which he is responsible, it is not likely that anyone would dare to do this because inventories are made and listed in the records. But I feel that there is an opportunity to do this and that is during training. That is, suppose that instead of letting the soldiers practice fire all the ammunition, they were given only half to fire. But when it was distributed, the full amount was distributed. For example, during training the training schedule may call for the firing of 20 rounds. But the soldiers would actually be given only 10 rounds to fire. The remaining

10 rounds per person would total a large number of rounds. Such training is carried on continually at all levels. As soldiers, they must be trained and they are each allowed to throw two to four grenades. There is a great opportunity to steal weapons at this stage. All soldiers must receive firing practice every year. One person fires many rounds, sometimes as many as 100. Such theft cannot be checked because the ammunition has already been distributed. If each person is given 100 rounds to fire, that is 10,000 rounds for 100 people. If the person in charge gives them only half of this to fire, he can collect 5,000 rounds. In the firing report, he says that the full amount was fired. If soldier A and soldier B do like this and report the results of the firing, they can do this easily. Once the ammunition is taken out of the armories, there is no possibility of its being returned. The ammunition is distributed in several ways. Put simply, false reports are made. For example, this is done with oil. It is reported that each vehicle uses so much and so that much is distributed. But the full amount is never actually used up during training. And there is cheating in the matter of allowances. A training allowance for 10 days is given but really the training lasts only 5 days. They pocket the rest. It is possible to do this but there must be cooperation. That is, those who are responsible for such matters must all cooperate."

But some people have gone to prison too. There was once such a case. A friend of mine was a lieutenant or captain at that time. Each soldier was supposed to fire two bazooka rounds but each was actually given only one round to fire. Thus, with 50 soldiers, he got 50 rounds and with 100 people he saved 100 rounds, which he took and sold. After the investigation, he was relieved of duty and discharged.

The Internal Security Operations Command (ISOC) once had such a case. They were training at Prachin and had conscripted the villagers. This was during the period when the civilian volunteers were all called on to practice firing rifles. The officials supervising the training allowed them to fire only half of the allotted rounds. They sold the rest. But they were caught. Such theft during training can be stopped but it is difficult to do so. The training can be inspected but it is difficult to determine who sold the ammunition.

As for this case at Surat Thani that involved a large quantity of ammunition that came from the same place, in analyzing this case, I will look at three aspects:

First, they can obtain [ammunition] from the Ordnance [Department] and from the large armories by "fooling with" the records. That is, they falsify the records. Those who are responsible for large lots falsify the records. For example, when they receive 100 boxes, in the records they state that only 50 boxes were received.

Second, they can obtain ammunition from the field units. This is done in the form of a "broken armory." This means that it is made to seem that the ammunition was stolen [by others] but in reality it was taken by the officials, who then sell it. The officials cite evidence showing that the ammunition was stolen [by others].

Third, ammunition is stolen during training. But in stealing ammunition this way, the ammunition must be collected and only 5,000 to 6,000 rounds can be obtained this way. It is difficult to obtain as much as 100,000 rounds.

As for shipping the ammunition to the south, taking 300,000 to 500,000 rounds of M16 ammunition, which is small ammunition, from the center is not difficult. Many rounds can be put in one box.

Most of those who are responsible are company and field grade officers. It is mostly this group that is involved in stealing ammunition. Generals do not get involved in such matters. From what I have seen, the price of war ammunition is cheap. For example, 1 baht for one M16 round is a good price. The price does not usually reach even this. When I was still on duty there, M1 ammunition was selling for less than 1 baht per round. It was sold to the Karens. The matter of officials selling weapons has been going on for a long time. Some have been caught. From what I have seen in the north, the Karens are in great need of ammunition. This is what happens. Some is stolen by altering the records and some by stealing from the armories. It is taken and sold to the Karens. Usually, this ammunition is sold to the national liberation groups.

As for whether or not those who sell the ammunition know that this ammunition is sold to the CPV guerrillas, I think...I am not blaming them. I think that government officials...they are not using good sense, particularly the junior officers. They look at the situation of their superiors and cannot have any suspicion for them. There are countless stories of corruption, cheating and so on. Thus, they steal some too. They do not have any conscience. Thieves don't think. If they get a chance, you have to watch them. They will take everything they can.

It is said that this matter has been revealed in order to "play" with some people in the Defense Department. I do not think this is the case. Actually, to make a case, if the senior people who are involved in clearing an area encounter such a problem, they must conceal it and conceal it well. They must definitely not reveal the matter to the press or to anyone else. But because this was revealed to the press like this, it shows that there was a lack of trust. It is as if I worked very hard and was still blamed. I would want to reveal things. I think that the person who revealed this is a person with a conscience. He wanted to expose this. But we don't know whether he was exposing his own group.

Normally, if high-ranking officers find out ahead of time, they will cover up the matter and resolutely keep anyone from finding out. It is possible that those who revealed this were junior officers. That is, they revealed the affair before their superiors could find out. These people are not politicians. Sometimes they are more interested in showing off. They want to show off their various accomplishments. This is how they think; they don't think about the political effects. And the high-ranking officers are unhappy because of the damage this causes. As for the jungle forces playing their last card by abandoning this ammunition in order to disgrace the army, I do not think

this was what happened. It is more likely that they were unable to transport it in time. They were probably trying to preserve their forces as much as possible rather than worrying about their camp or the ammunition.

As for whether this ammunition came from the center or from the south, I do not know whether this ammunition was all from the same lot or not. But the main armory in the south is located in Nakhon Sithammarat. It is the largest armory in the region. Large lots of ammunition are sent there.

As for the armory at Ratchaburi, it is a large armory from which ammunition is sent to the south. All the ammunition that is sent to the south comes from Ratchaburi. If the case [happened at] Ratchaburi, then the Ordnance [Department] is involved. But if it happened at Nakhon Sithammarat, then it is the army that is involved since that is the army's armory. But the armory at Ratchaburi is the responsibility of the center.

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CSO: 4207/74

CAMP 508 STILL NOT CLEAR OF CPT AMBUSHES

Bangkok THE NATION REVIEW in English 25 Mar 82 p 4

[Article by S. Kasitipradit: "Danger Lurks Around Chong Chang Pass"]

[Text]

CHONG CHANG PASS, Surat Thani - The government forces may have stormed the insurgents' "Camp 508" with a vengeance. But for many of the government troopers, danger still lurks around.

Ambushes sprung by the communist insurgents have been on the rise since government forces seized the major camp and its surrounding satellite outposts.

Resistance from the insurgents continues. "Harassment has been used as tactics by the fleeing insurgents after we crushed them with our force against their string of camps and the major headquarters here. They have split into units comprising three to four terrorists each tailing us. When they thought it was the right time, they ambushed us," said a field officer who is well-informed on the latest condition on the "battlefield" here.

Several government troopers have been

wounded in the ambushes. But the government forces are determined to maintain a presence here to wipe out the last elements on the insurgents, particularly after the provincial City Hall here was bombed beyond repair earlier this week in what government authorities believe to be a revenge action by the insurgents.

The military has ceased the deployment of artillery gun-fire and bombardment from the air against the Communist Party of Thailand's southern stronghold after having captured several camps.

"We now concentrate on strengthening our presence. Small units have been set up around the areas formerly under the influence of the insurgents. Patrols have been stepped up to flush out any remnants of the insurgents," another field officer told *The Nation*.

Government officials supervising the

operations here admitted that the heavily-jungled terrain here had posed some obstacles for government forces.

"Many of our troops aren't used to such terrain. The insurgents tend to be better acquainted with the terrain. And the ambushes sprung by the terrorists have compelled us to be more cautious," the field officer said.

Sgt Narongchai Buskong, commander of a platoon operating right in the heart of an area which was once under the influence of the communist insurgents, recounted his personal experience this way:

"The frequent ambushes have forced us to change our patrol strategy. We try to avoid the jungle treks known to be frequently used by the insurgents. We take the sideways instead of the main treks. They know the terrain better than we do. Before this, they could inflict injuries on our people. Now, we have been

able to avoid the trap," he said.

The 26-year-old dare-devil leader of a 20-member unit continued: "We have also learned that to counter an ambush, our first reaction upon being hit is to charge right against the target. Previously, when we fell victim to an ambush, we used to retreat first to find a way to retaliate. That placed us into a position as targets. But we have changed all that. What we do now is to hit right back when we are attacked to put the insurgents on the defensive. That's why the terrorists have also suffered heavy casualties."

The young military officer admitted, however, that in some ways, the insurgents might still have an edge over the government forces.

"They (the insurgents) seem to know exactly where and how we move. When we send out patrol teams out, they would stage their ha-

rassment.

But we can't get them when we want to. They walk the jungle well and are familiar with the jungle escape routes... Sometimes, we can't get them in time..."

"Camp 508" had always been known to be the CPT's strongest jungle stronghold in the South. Government forces numbering over 5,000 in strength have been deployed to capture the camp. And government officials admitted that the insurgents in the area had put up some tough resistance.

Fourth Army Commander Lt Gen Harn Leenanond said: "It was the right decision for us to smash Camp 508 or else it would have grown in

strength day by day. That would have been very dangerous to us."

There have been no reliable reports as to where the majority of the insurgents from Camp 508 had fled to. But senior military operation officers said that they could have escaped to Nakhon Si Thammarat and Krabi in nearby jungle camps.

"But that doesn't mean they have abandoned their operations zone. We can't lower our guard," an officer added.

The Fourth Army has despatched small action units, comprising three to four sharpshooters each, to hunt down the insurgents.

"These are daredevil, well-trained and highly mobile fighters

who would barge in as soon as they heard gunfire," said another field commander.

A more efficient coordination system has also been mapped out for different government units operating in the area to prevent misunderstanding.

"Once a government unit crosses over the area to another unit's jurisdiction, radio contacts would be made in advance. But then, our bases are still being harassed by the terrorists," said Sgt Narongchai.

But the young military officer has detected one change in the insurgents' strategy recently. "They have been saving up on ammunition. Previously, they used to shoot like mad. But now, they would try to fire a rocket first and fire a few shots before they retreat. This is because they are low on ammunition after we captured a large quantity of it from their bases," he said.

The number of booby-traps laid in

the area has also gone down noticeably, he said.

The situation here has changed dramatically compared to that last month. A road is being built to open up the way into Amphoe Baan Nasarn. Security forces that used to be posted on the first three kilometres from the mouth of Chong Chang have disappeared since most of the available forces in the area had been summoned to join the main operations — and the timeframe is indefinite.

Local officials are confident that the insurgents can't hit back to regain their influence. "But what we are worried about is that they may poison the streams in the jungle since they are mostly in hiding at the upper reach of the streams and we are down below. But we have taken precaution on that, by sending troops to guard against such actions," a field commander added.

THAILAND

EDITORIAL URGES INQUIRY INTO AMMUNITION SCANDAL

Bangkok SIAM RAT in Thai 16 Mar 82 p 3

[Editorial: "When Salt Turns Into Worms"]

[Text] We have hesitated for several days since reports appeared in the newspapers concerning the discovery of a large quantity of ammunition that was produced by the Royal Thai Army and that turned up in the list of evidence seized by government troops during the attack on communist terrorists at Khao Chong Chang in Surat Thani Province. We hesitated because we thought that after this news became public, the army, which was the owner of this ammunition, would issue a statement in accord with what is proper and in accord with regulations.

Finally, the army issued a statement about this affair and admitted that this ammunition had in fact been produced by the Ordnance Department. However, [it said] that the quantity did not reach 100,000 rounds as was reported and that this ammunition had been turned over to various units for use. It is possible that this is ammunition that the communist terrorists seized during attacks on our bases. At present, the army is urgently conducting an investigation in order to conclude the matter quickly.

The army would like to ask the mass media to stop publishing stories to the effect that some soldiers have betrayed their country by selling ammunition to the communist terrorists. They are afraid that this will harm the army in the eyes of the people and that it amounts to pointing out things and increasing the effect so that the enemy can attack and harm us. If the results of the investigation show that someone really did something wrong, the army will take resolute and impartial action.

Concerning this statement by the army, even though it has mentioned the need to conduct an investigation into the leak of this ammunition, which fell into the hands of communist terrorists who used it to kill Thai soldiers, we feel that there may be an attempt to play down this case and we are afraid that this will give a psychological advantage to the enemy, which is basic psychology in common use. However, the case of Thai military ammunition falling into the hands of the communists is a major event that has impressed itself in the minds of the people in general. And as for the idea that someone was negligent or had some intentions with the result that this ammunition ended

up in the hands of the enemy, in principle, the ammunition and the money used to suppress the terrorists comes from the sweat of the people in the form of taxes. The terrorist threat has not gone away as hoped. And it must be admitted that the south is an area with many influential [groups] with various interests in addition to the disputes among Thais over ideals.

Concerning this mysterious case of military ammunition ending up in the hands of terrorists, we do not believe that it should be very difficult for those concerned to solve this case and find out what really happened. And we have trust in the punishments that the army has used since ancient times in taking resolute action against those who have done something wrong. We feel that these punishments should be taken from the Legal Code of the military courts and resolutely used in practice in order to set an example for others in the future.

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CSO: 4207/74

DEPARTURE OF REFUGEES TOPS ARRIVALS

Bangkok BANGKOK POST in English 19 Mar 82 p 3

[Text]

RESETTLEMENT of Indochinese refugees continued to outpace new arrivals by a margin of more than two to one in February, the United Nations High Commissioner for Refugees (UNHCR) announced yesterday.

It said 8,339 left for third-country resettlement while 3,560 new arrivals by land and sea were registered.

Of 2,797 boat people arrivals from Vietnam, 1,045 landed in Malaysia, 784 in Thailand and 362 in Indonesia.

In addition, Thailand recorded the arrival of 780 Laotians by land.

Thailand had 181,560 officially-recognised refugees on its territory at the end of February. Hong Kong had 10,633, Malaysia 10,003, the Philippines 6,281. In-

donesia 5,602, Japan 1,733, Macao 1,151 and Singapore 264.

Of 3,737 departures from Thailand in February, the United States took 2,232, France 795, Australia 460 and Canada 174, said UNHCR.

"So far this year, over 4,000 Kampucheans have been called out of Thai holding centres by resettlement countries. France has taken the largest number by far with Australia, Canada, New Zealand and several other countries account-

ing for the balance," it said.

"The United States remains the big question mark in the resettlement picture. Last year, just over 40,000 Kampucheans left Thailand for resettlement in the United States; this year, while other countries continue to accept Kampucheans, the United States has not yet announced its plans," UNHCR said.

America's Indochina resettlement is presently made up almost exclusively of Vietnamese and Laotians.

Meanwhile, the Interior Ministry will decide whether new makeshift houses will be allowed to be built for the fire victims at the Nam

Yao refugee camp in Nan Province, a UNHCR spokesman said yesterday.

He said the UNHCR has no authority to make the decision as the Thai Government has the policy to phase out refugee camps in this country, including the one at Nam Yao.

He added that over 3,900 H'mong refugees made homeless in the fire Tuesday are being housed temporarily in a school in the camp or in their relatives' shelters.

Relief materials, such as mosquito nets and plastic sheets have already been provided to the fire victims by relief workers.

Three refugees were killed and five seriously injured in the fire which burned down 534 makeshift houses comprising two-fifths of the camp's shanty town.

COLUMNIST EXPRESSES CONCERN OVER RISE OF BUDDHIST CULTS

Bangkok THE NATION REVIEW in English 25 Feb 82 p 4

[Article by Suthichai Yoon: "Mushrooming Cults Reveal Sick Society"]

[Text]

THE ONGOING controversies over what's "pure" Buddhism and whether some unorthodox practices against the established rules should be interpreted as illegitimate together with the allegations about the creation of personality cult in the name of Buddhism are a sad reflection of the state of society.

Whether faith is being misplaced or not, the uproar over Santi Asoke which refuses to come under the normal rules of the traditional Buddhist practices does cut deep into the very crux of the problem.

People were looking for some way out of the social ills and political confusion — and when a cultist like Suchart Kosolkittiwong came

out as the man who could "lead" them spiritually, with a touch of superstition, of something beyond this earthly values, people swarmed to him and his empire in Ratchaburi.

Nobody could, in all fairness, blame him for suddenly becoming the "spiritual leader" for thousands of people, including well-known generals and senior government officials. It was a search for leadership that compelled people to seek a new symbol, which national politics could not provide.

The current case of the confrontation between activist Phra Anant who "exposed" the Hoppa Sawan case and his subsequent self-styled crusade against Santi Asoke of

Phra Pothirak could not be viewed from a simplistic angle.

It was undeniable that Santi Asoke was becoming a new symbol of a quiet rebellion — against the establishment. Rightly or wrongly, Phra Pothirak was building up a following with the conviction that there is another approach to Buddhism — and that if some of the practices were unconventional, it was only because the conventional pillar of belief and conviction was wearing thin.

I am not in a position to judge whether the legalistic interpretation of the Buddhist Monk Act would tolerate such a new line of propagating Buddhism. Whether Santi Asoke was becom-

ing a cult of its own trying to build yet another empire through personality cult remains to be seen.

But again, the question is not what should be done about the new sects popping up all around. (A senior official was quoted the other day as saying that there are at least 5,000 illegal self-styled religious centres mushrooming in various parts of the country).

The real question is that some of these so-called new "sects" have been able to attract people, either for some very valid and logical reasons or some shady cultist tendencies, in surprisingly large numbers. If they were put-ons, they were well orchestrated, indeed.

But they were real bona fide attempts to follow Lord Buddha's teachings to seek truth from new, genuine, uncorrup-

ted approaches, then it speaks volumes about the state of society we have plunged ourselves into.

Opportunists, naturally, cash in on such a situation. But it is important to distinguish the two sides of the coin.

More important, the fact that some bogus, superstitious self-styled "religious centres" which have not been "touched" for fear of sensitivities involved underscores the spiritual "vacuum" in our country to say which desperately needs to be filled.

Whether Phra Anant or Phra Pothirak are on the right path is not the major point here. But the "soul-searching" among the Thai people points to some very serious problems with the lack of national leadership, be it political, social or cultural.

The sense of the absence self-identity has reached a

critical point and, as a result, the search for a way out has been paved with utter misconceptions.

Gestures and superstitious activities have been misconstrued as the crux of Buddhism. And if a debate was kicked up as a result of the controversies, it is only to be hailed — for it would, as Lord Buddha said, "cleanse away the filthy elements."

The Thai people's normal way of way has suffered from a the lack of national direction. The government can't look at it from a narrow point of view. It's not just two monks engaged in a verbal battle. It's a national issue of leadership and where the Thai people think they could find it.

The answer, so far has unfortunately been claimed to be in the superstitious hands of some bogus "cultists."

ALARM VOICED OVER DETERIORATING SOCIAL, POLITICAL, MORAL CLIMATE

Bangkok BANGKOK POST in English 18 Mar 82 p 4

[Article by Vijid Wongwain: "Trouble Is, Thailand's Showing Signs of a Shanghai Mentality"]

[Text]

AS one surveys Thai society today, the scene unfolding before one's eyes — according to Press reports, that is, even taken with a largish dose of salt — is strongly reminiscent of the Shanghai of Ting Li of the 30s, only worse.

Worse, because the corruption, gangsterism, the ruthless scramble for power and money over dead bodies and moribund virtues in Shanghai then was after all, within the context of a greater anarchism when China was, per our history books, a Chinese melon.

Thailand of the 80s definitely is not a Chinese melon. We have a monarchy which is deeply revered by all Thais, the best in the world even. And we have various socio-economic and political structures and infrastructures to deal with the affairs of state and the administration of a society free of, and from, foreign interference or overlords.

Despite this, and in spite of our Buddhist ethics and tradition, the earlier image of ourselves as a peaceful and friendly people, humane, neighbourly and compassionate, philosophical, sensible — it is now but a myth, sadly. We have, it seems, become a nation of godfathers, schemers, crafty brutes, mafiosos and the likes, living solely by the dictum: "Kill or be killed, fleece or be fleeced."

How far we have travelled upon this dark path can be best seen from the fact that even among schoolchildren as young as seven or eight years, the Thai Buddhist virtues to which we still pay lip-service more out of habit than anything else, have all become just one big joke. At best, a useful smokescreen to hide behind before and after deeds most treacherous and foul.

Concerning our Shanghai mentality or morality, it has been argued by many — sociologists, anthropologists,

experts of varying intelligence and hue, even the street corner beggar, that it is but a natural consequence of our growth. That it is part of the worldwide decline in morals and social ethics as can be seen from the growing corruption, drug addiction, violence, ~~behavioural deviations~~, moral decadence, etc, especially in the advanced countries of the First World. Such being the case, these wise heads argue that there is nothing we can do, that nothing we do will make any difference.

But the argument put forward underlining the futility of remedies, though in general somewhat true, seems to ignore an important point. Namely, the very crucial difference between a society like ours and those in the West.

At least, in the West, no matter how permeated society is with trendy filth and corruption, there are nevertheless certain counterweights which prevent society from caving in, from consuming itself, and finally, imploding in a bloody upheaval.

That is, in those societies, no matter how corrupt or unsavoury the police and bureaucrats, however hard or avaricious the powerful and politicians be, regardless of the moral bankruptcy among certain social strata, ordinary citizens — John and Jane Doe — are afforded certain protections, have certain rights and privileges, possess means for rightful defence of one's integrity and dignity as human beings. They need not kowtow before any officials, pay through their noses, or "know" certain bigshots in order to enjoy some basic protection. As such, though such societies may from time to time face grave crises or catastrophes, there is a fundamental stability, a confidence on the part of the people in the basic soundness and justice of society.

Another question which must be considered is how our society — the Shanghai of the 30s — is viewed by the majority of Thais. Do they take pleasure in real life, as they do on the television screen, in the assassinations, the revenge-killings, the relentlessly selfish drive for power and wealth among and between aspiring as well as established "godfathers," the extortions, victimisations, police and bureaucratic high-handedness and callousness, and so forth, taking place all around them, happening to them, to their kin, friends and neighbours?

Judging from various letters from readers, views of columnists, and editorials in newspapers, especially the Thai-language ones, one cannot help but be aware that the majority are fed up and thoroughly disenchanted — in particular with the ineffectiveness of all laws and institutions. A very brave and foolish man is he who goes to courts of law or lawyers for redress, and the police for protection.

This indeed is a very worrying point since it indicates that the illness afflicting us is not so much physical as psychic — a collapse of the spirit, as it were. Anarchy has, it seems, filtered down to the individual and very personal level which, on deeper contemplation, is most frightening. What incentives are there now for the shouldering by one of social responsibilities for the collective good of the whole, or to abide by the law?

Materialists, and those with faith in the supremacy of economics over all, as well as members of the "national security" establishment, will argue that the erosion of basic morale is immaterial due to our economic growth and achievements, and the ragged disarray of both our external and internal enemies. That the "unglueing" of the "social contract" is a natural phenomenon which will disappear as greater growth is achieved.

Without doubt, such a rosy overall view of our society would, in theory as well as within factual context, hold true were we an island state. Unfortunately, we are, geo-politically speaking, the foremost domino, the "fallacy" of the domino theory notwithstanding. In reality, it was only the falling out among Marx's children that disproved, for the time being that is, the fundamental correctness of this theory.

However, favourable as the international and regional political climate is as far as Thailand is concerned, it does not require much thoughts or imagination to envisage the consequences of a change in the factors now prevailing. For instance, the fourth and final (?) fall of Deng Xiaoping from grace, or the resurgence of Maoist dogmatism in

China. Or, if Hanoi chooses, as during Ho Chi Minh's lifetime, to play mediator between Kremlin and the Gate of Heaven, instead of defying the Chinese dragon? Moreover, what if isolationists once again rule supreme in Washington? These imponderables need to be pondered precisely because they are that, and above all, beyond our control.

Moreover, economics being what it is — the economies of countries and regions being interdependent, and with many crucial factors for growth being beyond our control — we cannot be certain that the momentum of growth and development will continue at the pace we have hitherto experienced. The world economy is, as known even to non-economists, not very stable what with business recessions and unemployment, among other ailments, plaguing most industrialised nations.

Such being the uncertainties of life, the negative nihilism and low morale prevalent in our society, further nurtured by the atmosphere of Shanghai of the 30s, is therefore a source of great danger because it means that in times of trouble, there would in effect be no one to make a stand against the tide of dissolution, or the enemies at the gate. And especially, in the event of unforeseen and unexpected economic slump, the effects of this on a demoralised and unstuck society would be very explosive and uncontrollable.

Whether we like it or not, the basic mechanism and structure of Thai society today is similar to that of an overworked, overloaded and badly maintained engine, or, one which is in a bad shape due to it being no longer suitable for the job at hand. The current upheaval and mutual massacres we are now witnessing in the republics of Central America are, if we cut through all the fog of self-serving natter of both warring sides, but results of the collapse of the basic social cohesion in those societies.

Viewed from this admittedly pessimistic but nevertheless reasonably realistic angle, we are living, it seems, not only on borrowed money but on borrowed time as well. Particularly and singularly unforgiving as we are of being distracted from the many little pleasures of life, our cheerful propensity for seeing only silver linings in every cloud and hearing music even in the rumblings of approaching storms, the moment has come for us to ask ourselves whether we can afford to let our Shanghai lead us to El Salvador, or whether we should not, like a wise farmer, begin to mend our dikes before the monsoon and dig ponds before the drought.

EDITORIAL BLASTS POLICE INVOLVEMENT IN PROSTITUTION

Bangkok THE NATION REVIEW in English 26 Feb 82 p 4

[Editorial: "Let's Practice the Morality That We Preach"]

[Text]

FIFTY GIRLS WHO had been forced into prostitution and rescued from a brothel were sent back to the same hell-hole with the connivance of Phya-thai police, and thereby hangs a tale.

We are under no illusions that the world's 'oldest profession' could be stamped out in Thailand or anywhere else in the world but, at the same time, we are also sure that nobody could descend to a lower level of degradation than indulging in 'white slavery'. Six policemen in Phya-thai have been accused of this most demeaning of crimes and the Women Lawyers' Association, which first broke the story, has all the necessary details.

So, what happened to these six policemen? They were transferred to different areas with the possibility of disciplinary action some time or other in the future. Translation: The case has been closed. It is just too difficult to believe that we are a civilized society in 1982 when the government hands out transfers to policemen who connived and cooperated in the enforced sale of female flesh periodically. We are not, let it be clearly understood, writing against the corruption involved which is bad enough in high and low places — we are writing only about teenage girls who are forced to prostitute

themselves again and again by the use of brutality with police connivance.

We are totally disillusioned about the Interior Ministry where morality is expounded with the regularity of a dripping faucet. The Interior Ministry is, after all, the responsible authority over the Police Department. Interior Minister Sit-thi Chirarochana has been variously called the 'crime buster', the 'vice buster', etc but now it appears that he has been busted by his own subordinates. Some time or other he should climb down from his ivory tower and see what is happening in his own backyard. It is an accepted axiom in business, industry and government that the boss shares some responsibility for his subordinates' misbehaviour, misdeeds or crime whatever the extent of it is — does our interior minister understand that? To make it simple, if in this newspaper a reporter makes a gross mistake it is the editor who faces the music.

In any language, in any code of ethics, in any country's law, the Phya-thai policemen involved in this forced prostitution are despicable criminals conniving at the living death of tender-aged girls. We strongly urge the highest authorities concerned to take up this matter immediately.

LONG-TERM GAS AGREEMENT SIGNED

Bangkok BANGKOK POST in English 27 Mar 82 pp 1, 20

[Text] The Government yesterday signed a long-term agreement with the Union Oil Co of California to buy natural gas found in Union's six structures in the central Gulf of Thailand, ending nearly three years of marathon negotiations.

The contract, Thailand's second with the American concessionaire, calls for Union to supply 150 million cubic feet per day (MMscfd) of natural gas as of April 1985 and increase the flow to 300-400 MMscfd by the end of 1986 for a period of 25 years.

The agreed base wellhead price of the natural gas "is a little less than US\$2.20 per 1,000 cubic feet, the price the Government is paying for gas from Union's Erawan field" said Minister of the Prime Minister's Office Flt-Lt Sulee Mahasanthana. He refused to be more specific.

"The price, terms and conditions of this contract are better than the previous Erawan agreement," added Flt-Lt Sulee who had been entrusted by the Prime Minister to head a top-level Thai negotiation team to break the deadlock in the price talks with Union.

The contract will see the natural gas supply from the Gulf of Thailand rise from the present contracted volume from 200 MMscfd to 650 MMscfd in the next five years, as targetted in the fifth-five year economic plan.

It was signed yesterday afternoon by Flt-Lt Sulee and Deputy Industry Minister Dr Chirayu Isarangkura na Ayutthaya on behalf of the Thai Government and representatives of Union and its two Japanese partners, Mitsui Oil Exploration and Southeast Asia Petroleum Exploration Co.

Signing the contract on behalf of the concessionaire were Mr R.R. Roethke, Union's vice president--international gas and gas liquid, and Mr W.A. Greenwalt, vice president and resident manager of Union Oil Co of Thailand, Union's six gas fields in four concession blocks: Kapong, Platong, North Pladang, and Pladang (block 10-11), Satun and Baanpot (Block-12-13).

The combined natural gas reserves in these fields is estimated to be more than four trillion cubic feet.

The area is being explored and developed jointly by Union Oil Thailand (which holds the major stake), Mitsui Oil and SEAPEC.

According to Flt-Lt Sulee, the contract signed yesterday is only a "head of terms" and the full contract will be signed probably this May after it passes through several bureaucratic formalities.

The natural gas produced under this agreement will be used for domestic consumption, principally as fuel for the Electricity Generating Authority of Thailand's Bang Pakong power plant in Chachoengsao but later as feedstock for several planned petrochemical industries and other related industries.

For Union, the deal will entail a massive investment of about \$1.4 billion in erecting off-shore gas platforms in those scattered gas fields. It will mark Union's single most expensive and concentrated development effort since it began developing the Erawan field where 11 drilling, production, processing and quarters platforms have been installed and are now in operation.

The national oil firm, the Petroleum Authority of Thailand (PTT), which is buying the gas, will be responsible for building the approximately 42 km-long undersea pipeline to deliver the gas from the future gas platforms to the 425-km offshore pipeline that PTT laid from the Erawan field northward to Rayong coast. From Rayong, the pipeline then connects with a 170-km onshore pipeline to Samut Prakan.

PTT estimates the cost of laying the new pipeline at about \$200 million which will be financed by foreign loans, like most of PTT's projects. The pipeline will run westward from Platong field where it will be linked with other four structures' platforms via pipelines which will be built by Union.

The remaining southern most structure, Baanpot, will be connected with the Erawan field where it will make use of existing facilities for gas delivery.

PTT will soon recruit a foreign project consultant to draw up details and designs before seeking contractors to lay the pipes.

CSO: 4220/503

PRODUCTION COSTS TOO HIGH, FACTORY MAY CLOSE

Bangkok THE NATION REVIEW in English 25 Mar 82 p 11

[Article by Songpong Tang: "Tanin May Have To Close Down Northern Factory"]

[Text] **CHIANG MAI** - Tanin Industrial Co Ltd, a leading producer of radios and television sets, may have to close down its factory in this northern city soon due to several disincentives for investment such as high labour costs and complicated official regulations, a company's top executive told *The Nation*.

Tanin's Chiang Mai Managing Director Unnop Vidhayasirinun said the factory, founded in 1972 with capital investment of about 60 million baht to produce spare parts is facing 50-60 per cent higher production cost than in Bangkok.

Delay in customs clearance and transportation has pushed up production costs sharply resulting from unnecessary payment of interest. The most important factor is the daily minimum wage of 61 baht equivalent to Bangkok but the efficiency of labourers is 30 per cent lower.

"It takes at least a year to train these provincial workers and during this period we have to pay the minimum wage while a lot of items were damaged during the training," he said.

Other disincentives include higher electricity rates and charges for public utilities. Unnop said that the company's management is calculating figures of operating losses and the company may be moved to other province if the government does not provide assistance.

"We have to spend millions of baht in removing the plant and severance pay for workers," he said.

Meanwhile, Sales and Export Manager Vunnee Vidhayasirinun said the management met a month ago to consider the issue because the company is losing about two million baht a year.

"Moreover, we are paying unnecessary overheads such as transportation for raw materials from Klong Toey Port to the province and then send finished products back to Bangkok for ex-

port," she said.

"The government has a policy to expand industrial investment from Bangkok to the pro-

vinces to create more employment opportunities among rural workers, but our production costs are not competitive enough now," Mrs Vunnee said.

She criticized the decision on minimum wage which, she said, was very "unrealistic." For example, Chiang Mai and Lamphun are located on the same road but the rates of minimum wage are very much different.

Lamphun is about 20 kilometres from Chiang Mai with the daily minimum wage fixed at 52 baht. She suggested that the government should look into this problem not only for Tanin but other industrial and business operations.

"I understand that it is impossible for the government to change the minimum wage, but it can provide other incentives for investment to investors. The minimum wage in the province can be higher than others but should not be at the same level as that for Bangkok," she said.

The company's Board of Directors has not yet come up with any final decision on this issue, because moving the factory out of the province will lead to mass layoff for hundreds of workers, she said.

The company has sent representatives to negotiate with the government. "We are trying to continue our operation while negotiations are going on. We are prepared to stretch ourselves to the limits," she said.

BRIEFS

PALESTINIAN BOXERS--Palestinian boxers will go on the ring for the first time in Thailand during the 8th King's Cup Amateur Boxing championships to be held March 31-April 8. The secretary general of the Amateur Boxing Association of Thailand (ABAT), Nobnom Aowsukhon, said yesterday that the participation of the Palestinian boxing team in the tournament was confirmed by secretary general of the International Amateur Boxing Association Anwar Chowdry. Nobnom said he did not expect any diplomatic complications from the presence of the Palestinian boxers here. A spokesman of the Foreign Ministry said since Thailand supports the existence and self-determination of Palestine there should not be any diplomatic problem even if they fly their own flag during the tournament. The five-man Palestinian boxing team is scheduled to arrive here today but their names have not been disclosed, Nobnom said. Palestinian officials have sounded out Thailand's reaction to its request for their representative office to be set up here but the Thai Government politely shelved it for future consideration. [Text] [Bangkok THE NATION REVIEW in English 30 Mar 82 p 1]

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April 29, 1982